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ABSTRACT

Presented is a report submitted by the General Accounting Office (GAO) concerning its investigation of charges made by the National Federation of the Blind (NFB) against the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped (NAC). It is explained that the GAO reviewed NFB allegations that the NAC does not act in the best interests of the blind, holds closed board meetings, and does not adequately represent users of services for the blind and visually handicapped. The organization and functions of the NAC, the NFB, the American Council of the Blind, and the Blinded Veterans Association are described. Discussed are the following aspects of NAC: its financial activities and recognition as an accrediting body; its accreditation standards; and the accreditation process and consumer representation in NAC affairs. Attention is given to evaluations of NAC performance by the Brookings Institution and the Social and Rehabilitation Service. Also considered are such issues as the benefits of accreditation, whether accreditation is required to receive federal funding, and the extent of organizational support for NAC. The report points out that the Commissioner of Education's Advisory Committee on Accreditation and Institutional Eligibility decided it had not found cause for revoking NAC's recognized status. (LH)

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REPORT TO THE SELECT
SUBCOMMITTEE ON EDUCATION
COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVE

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Charges Made By The National Federation Of The Blind Against The National Accreditation Council For Agencies Serving The Blind And Visually Handicapped

B-177685

Department of Health, Education, and Welfare

BY THE COMPTROLLER GENERAL
OF THE UNITED STATES

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-176886

The Honorable John Brademas
Chairman, Select Subcommittee on Education
Committee on Education and Labor
House of Representatives

Dear Mr. Chairman:

This is our report containing information and our observations concerning charges made by the National Federation of the Blind against the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped. The Council has received Federal funding, principally from the Social and Rehabilitation Service, Department of Health, Education, and Welfare.

As your office requested, we obtained comments on this report from the Council and the Department's Office of Education and the Social and Rehabilitation Service. We have considered their comments in this report.

As your office agreed, we are sending copies of this report to several Members of Congress who have expressed interest in the subject matter.

We do not plan to distribute this report further unless you agree or publicly announce its contents.

Sincerely yours,

Elmer B. Staats
Comptroller General
of the United States

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ABBREVIATIONS

CNA	Central nonprofit agency
GAO	General Accounting Office
GSA	General Services Administration
HEW	Department of Health, Education, and Welfare
JCAH	Joint Commission on Accreditation of Hospitals
NAC	National Accreditation Council for Agencies Serving the Blind and Visually Handicapped
NACVR	National Advisory Council on Vocational Rehabilitation
NFB	National Federation of the Blind
NIB	National Industries for the Blind
NLRB	National Labor Relations Board
OE	Office of Education
SRS	Social and Rehabilitation Service

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COMPTROLLER GENERAL'S REPORT
TO THE CHAIRMAN, SELECT
SUBCOMMITTEE ON EDUCATION
COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

CHARGES MADE BY THE NATIONAL FEDERATION OF THE BLIND AGAINST THE NATIONAL ACCREDITATION COUNCIL FOR AGENCIES SERVING THE BLIND AND VISUALLY HANDICAPPED Department of Health, Education, and Welfare B-176686

D I G E S T

WHY THE REVIEW WAS MADE

GAO compiled information and made observations on charges made by the National Federation of the Blind (NFB) against the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped (NAC).

NAC, a nonprofit membership corporation chartered in the State of New York, began operations January 1, 1967. The U.S. Commissioner of Education recognizes NAC as the National accrediting body for secondary residential schools for the blind. At the time of GAO's review, 56 organizations were accredited by NAC of a total of about 400 organizations serving the blind and visually handicapped.

NFB, a nonprofit organization, is generally recognized as the largest nationwide organization of the blind.

GAO visited NAC headquarters in New York City and several organizations accredited by NAC. Also GAO interviewed officials of NFB and other organizations of the blind and of several agencies not accredited by NAC.

Tear Sheet. Upon removal, the report cover date should be noted hereon.

FINDINGS AND CONCLUSIONS

NAC received about $689,430 of federal research and demonstration and special project funds from its beginning to December 31, 1973.

Most of these funds were from the Rehabilitation Services Administration which approved a continuation grant of $90,000 for 1974. It also recommended that NAC receive $45,000 in 1975, after which the grant would be discontinued. (See pp. 9 and 10.)

In addition, NAC received funds from contributions and other public support. (See p. 8.)

NFB believes NAC does not act in the best interests of the blind, holds closed Board meetings, and does not adequately represent users of services for the blind and visually handicapped. The Commissioner of Education's Advisory Committee on Accreditation and Institutional Eligibility considered NFB's charges and decided that it had not found cause for revoking NAC's recognized status. Specific problems are grouped under the following broad issues.

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Applying NAC accrediting standards and procedures

NAC's original standards, most of which remain in effect, were being scheduled for their first major update at the time of GAO's fieldwork. Three generally recognized national organizations of the blind, including NFB, were invited to participate in this update.

Nonprofit sheltered workshops, which provide vocational rehabilitation services and produce and sell goods and services, under NAC policy must comply with prevailing Federal and State wage and hour regulations. When applicable, workshops must be certified by the Department of Labor and the appropriate State agency authorizing wages less than Federal or State statutory minimums.

Workshops GAO visited had obtained the required workshop certificates authorizing the payment of less than minimum wages. (See pp. 15 to 18 and 28.)

NAC standards require workshops to provide clients with fringe benefits consistent with regular industry. Standards recommend that a personnel manual be distributed to all employees outlining conditions, benefits, and responsibilities of employment. They also recommend that regular meetings of employees and management be held to discuss matters of mutual concern.

Generally, workshops visited were meeting NAC standards on fringe benefits and the distribution of personnel manuals. The extent and means, however, for providing employees an opportunity to meet with management varied. (See pp. 20 to 25 and 28.)

Several NAC standards deal with the manner in which agencies represent their students or employees to the community. NAC standards say organizations must maintain a program of community and public education to stimulate realistic attitudes toward the blind and increase their participation in community life.

Standards also say that organizations must (1) insure that references to the blind are of good taste and reflect a positive and constructive viewpoint and (2) conduct and promote educational programs to combat prejudice and discrimination directed at the blind.

Organizations GAO visited used various methods to educate the community about blindness. Due to the limited scope of its review, however, GAO did not evaluate the effectiveness of these methods. (See pp. 26 to 28.)

NAC standards say employees have the right to organize and bargain collectively in accordance with law. One workshop engaged in collective bargaining. At the time of GAO's fieldwork, workshop employee participation in union

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activities was minimal. (See pp. 28 and 29.)

Regarding collective bargaining, the National Labor Relations Board has ruled that the purpose of a workshop is directed toward rehabilitating unemployable persons and that its commercial activities should be viewed only as a means to that end. The Board decided that it would not serve the purpose of the National Labor Relations Act to assert jurisdiction. (See pp. 29 to 32.)

Accreditation process

Each organization applying for accreditation must

--undergo an extensive self-study process;

--be reviewed by a NAC site team;

--report annually on actions taken to meet the team's recommendations; and

--be reevaluated periodically. (See pp. 33 to 35.)

Consumer participation in accreditation reviews

NAC's general policy is that its site teams are to contact students when visiting residential schools. At the school GAO visited, this was found to be true.

GAO found no instances where clients or students were members of review teams. (See p. 34.)

NAC had a policy of not notifying national organizations of its planned accreditation site visits. NAC relies on the organizations seeking accreditation to arrange for team meetings with consumers. (See pp. 36 and 37.)

NAC said consumers of services for the blind participate in NAC's activities. GAO recommended that NAC continue as the accrediting body in its field but recommended that NAC establish a Consumer Council. NAC has not established such a Council because it believes that the cost is prohibitive. (See pp. 41, 42, and 54.)

One accrediting body had instituted a policy of notifying interested parties of accreditation reviews scheduled in their areas. (See pp. 44 to 46.)

NAC policies and procedures on notification of and access to meetings

NAC policy adopted by its Board at its May 1974 meeting said

--annual meetings are open;

--NAC maintains a permanent staff to afford interested parties a channel to the Board;

--Board members are widely dispersed in the Nation and direct access to them is easy; and

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--copies of Board minutes are available on request to members and sponsors and at cost to others.

The Board resolved that a representative of any national organization concerned with services for blind and visually handicapped persons is welcome as an observer at any NAC Board meeting except executive sessions.

It also resolved that every reasonable consideration be given to requests for special-purpose appearances at or presentations to meetings of the Board--in either case provided only that reasonable advance notice is given of the desire to attend. (See pp. 48 and 49.)

Charges that HEW officials misrepresented to Members of Congress the purpose of an Office of Education-funded study concerning accreditation

Two studies funded by the Department of Health, Education, and Welfare (HEW) involved NAC to varying degrees. The Administrator of the Social and Rehabilitation Service (SRS) told a Member of Congress that the Commissioner of Education had contracted with Brookings Institution to evaluate 45 accrediting groups, including NAC.

The principal investigator for this study told GAO that the study would not include evaluation of accrediting agencies but rather the use of accreditation by the Office of Education and others as a condition of eligibility for Federal programs. (See pp. 51 and 52.)

Charges regarding independence of SRS review team

In March 1973 an SRS site review team visited NAC to obtain information on its operation, budget, administration and to consider charges made by NFB and recommend possible remedies to the Administrator.

The Administrator, SRS, advised a Member of Congress in July 1973 that this team of experts was from outside SRS and included NFB representatives. In September the Administrator advised Members of Congress that all team members, except the project officer who was a nonvoting member, were from outside SRS.

The team included three officials from HEW, including the project officer, one each from the Department of Labor and the Office of Management and Budget, and a university professor and an official of the Postal Service selected with the participation of the President of NFB. (See pp. 52 to 55.)

The role of accreditation

Most officials of organizations for the blind believed the self-study process was the major benefit of accreditation.

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Other benefits mentioned were the upgrading of service for the blind and the degree of assurance given to the public and to executive and legislative officers that the organization had met certain minimum standards. (See pp. 59 and 60.)

A charge was made that contracts under the Wagner-O'Day Act as amended by Public Law 92-28 (41 U.S.C. 46-48c (Supp. II, 1972)), are contingent upon NAC accreditation. These are contracts which provide employment opportunities for the blind by requiring Federal agencies to satisfy their needs for certain products by purchasing from nonprofit workshops for the blind.

Regarding this charge, the National Industries for the Blind (NIB), which allocates Federal Government purchase orders among the workshops, entered into a "Statement of Understanding" with NAC and the General Council of Workshops for the Blind.

This statement said that by June 30, 1970, all NIB-affiliated shops shall have either applied for NAC accreditation or applied to the General Council of Workshops for the Blind for a Certification of Affiliation with NIB and shall have submitted a self-study report. (See pp. 62 and 63.)

The General Counsel for the President's Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped has ruled that NIB cannot require workshops to be NAC accredited in order to participate under Wagner-O'Day Contracts. (See pp. 65 and 66.)

NIB said it was not intended that NAC accreditation be required but rather to have workshops follow some standards. (See p. 66.)

SRS does not require NAC accreditation as a condition for Federal support. However, the Assistant Administrator, Office of Research and Demonstration, SRS, said the message had been conveyed to those working in the field of providing vocational rehabilitation services to the blind that organizations should plan to seek NAC accreditation within 5 years if they expect SRS funding. (See p. 68.)

The Council of State Administrators of Vocational Rehabilitation has adopted a plan calling for all rehabilitation facilities providing services to clients of State vocational rehabilitation agencies, to have made plans to meet accreditation by NAC or the Commission on Accreditation of Rehabilitation Facilities by June 30, 1976. (See pp. 68 and 69.)

United Way of America does not have a national

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requirement that organizations receiving United Way funds be accredited by NAC.

However, of six local United Way agencies contacted in the Nation, five required that, if there is a recognized accrediting body in the organization's field, it must meet the accrediting body's standards to receive United way funds. (See pp. 70 and 71.)

NAC is sponsored by several nonprofit professional, consultative, research, and other organizations which provide various services for the blind and visually handicapped. (See pp. 71 and 72.)

NAC AND HEW COMMENTS

Officials of HEW generally believed the report presented a thorough and objective review of the issues in question and that it presented NAC as a respectable and legitimate organization that was accomplishing its objectives with a few minor areas of concern. (See p. 73.)

NAC welcomed the GAO review and hoped the report would be widely disseminated. NAC believed the report discloses NAC is doing a job widely recognized by the field as an important contribution to improving services to blind and visually handicapped people. (See p. 73.)

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CHAPTER 1

INTRODUCTION

At the request of the Chairman, Select Subcommittee on Education, House Committee on Education and Labor, we reviewed several charges against the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped (NAC) by the National Federation of the Blind (NFB). The specific matters which the Chairman requested that we review are grouped under the following broad issues:

--Applying NAC accrediting standards and procedures, including exemption from paying minimum wages by workshops, fringe benefits provided by workshops, and the image of blindness conveyed by organizations serving the blind.

--Attaining accreditation.

--NAC organizational structure, including participation in the activities of NAC by consumers of services for the blind and visually handicapped.

--NAC policies and procedures regarding notification of, and access to, Board of Directors, annual, and executive committee meetings and availability of minutes of such meetings.

--Charges of misrepresentation against Department of Health, Education, and Welfare (HEW) officials concerning reviews of NAC activities.

--The role of accreditation, including benefits derived, certain Federal funds and contracts being contingent on accreditation and endorsement of NAC's role in accreditation.

We discussed our report with HEW and NAC officials and considered their comments in the final version. Chapter 7 presents their overall observations.

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NATIONAL ACCREDITATION COUNCIL

NAC is a nonprofit membership corporation chartered in the State of New York. It began operations on January 1, 1967, after the 1966 report of the Commission on Standards and Accreditation of Services for the Blind titled The Comstock Report: Standards for Strengthened Services, which formulated basic standards for services to the blind and planned for creating a permanent body to administer a nationwide system of voluntary accreditation. The 22 member Commission was financed by the American Foundation for the Blind, the Irene Heinz Given and John LaPorte Given Foundation, the Gustavus and Louise Pfeiffer Research Foundation, the Rockefeller Brothers Fund, and HEW. NAC's purposes are to help agencies serving the blind to achieve maximum effectiveness and to give public recognition to such achievement through accreditation. When we made our review NAC had accredited 56 organizations.

NATIONAL ORGANIZATIONS OF THE BLIND

There are three generally recognized national organizations of the blind -- the NFB, the American Council of the Blind, and the Blinded Veterans Association.

National Federation of the Blind

NFB is a nonprofit organization, with about 50,000 members, is generally recognized as being the largest nationwide organization of blind people in the United States. It was established in 1940 as a federation of State organizations of the blind. It was incorporated in the District of Columbia in March 1949 and specifies its purposes as completely integrating the blind individuals into society on an equal basis by removing legal, economic, and social discrimination; educating the public to new concepts concerning blindness; and promoting each and every blind person exercise to the fullest extent his individual talents and capacities.

American Council of the Blind

The American Council of the Blind was formed on July 15, 1961, by several former members of NFB. The organization has members-at-large in almost every State and has

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43 affiliated organizations whose voting members are also members of the American Council. The number of voting members is now more than 10,000 according to the Council. Six of the affiliated organizations are national in scope and are based on special interests, occupations, and professions. The other 37 affiliates are general membership organizations located in 36 States and the District of Columbia.

The Council attempts, through its national organization comprising primarily blind people, to

--provide a forum for the views of the blind;

--improve educational and rehabilitational facilities;

--broaden vocational opportunities;

--encourage and assist the blind, especially the newly blind to develop their abilities and potentialities and to assume their responsible place in the community;

--cooperate with the public and private institutions and agencies of and for the blind; and

--conduct a program of public education aimed toward improving the understanding of the problems of blindness and of the capabilities of blind people.

Blinded Veterans Association

The Blinded Veterans Association, a nonprofit organization having 1,777 voting members, was incorporated under the laws of the State of New York in April 1947. Any veteran whose blindness is the result of service in the U.S. Armed Forces is eligible for membership.

The Association tries to aid blinded veterans in the area of

--motivation and assistance during psychological adjustment to blindness,

--specialized training to aid in overcoming the physical limitations of blindness,

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--vocational counseling and training,

--job-placement assistance,

--periodic followup, and

--informing blinded veterans of available services and benefits.

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CHAPTER 2

ORGANIZATION, FINANCIAL ACTIVITIES, AND RECOGNITION OF NAC

NAC's policymaking body is the Board of Directors. The principal executive officers, elected by the Board, are the President, Vice Presidents, Secretary, and Treasurer. The Executive Director is appointed by the Board; however, he is not an officer or Board member. NAC has two major program segments: the Commission on Accreditation and the Commission on Standards.

ORGANIZATIONAL STRUCTURE

The Board of Directors is authorized to consist of between 18 and 35 members who serve staggered 3-year terms. No member can serve more than two consecutive terms.

New Board members are usually nominated by a Nominations Committee and elected by the corporate membership at the annual meeting. In some instances nominations can be made from the floor for consideration of the corporate membership. None of the Board positions are designated specifically for special groups, associations, or blind individuals.

The criteria used by the Nominations Committee in considering possible candidates for Board membership include:

--Is the person of sufficient status and experience to serve as a spokesman and participate in the policymaking of a national standard-setting agency which operates in both the academic and rehabilitation fields?

--Does the person have one or more special areas of strength needed by a Board member, such as:

1. Experience in managing substantial enterprises and knowledge of modern management techniques and practices.

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2. Knowledge of financial controls and practices.

3. Ability to obtain funds to support the program.

4. Knowledge of the principles and current practices in various areas of accreditation: education, rehabilitation, etc.

5. Specific knowledge of the needs and problems of work with blind people.

6. Knowledge of community organizations, planning and interaction, and successful participation in such organizations and activities.

7. Firsthand experience with blindness and how it feels to receive services from an agency or school for blind people?

--Would that person help provide balance within the Board so that, insofar as possible, in a group of about 30, there are persons from various parts of the United States; various elements of the population, including women and minorities; various ages; and various backgrounds (business, the professions, government, volunteer service, rehabilitation, and education)?

A list of the Board members as of July 1, 1974, is included as appendix I.

NAC's bylaws, which can be amended by the corporate membership or by the Board, authorize an Executive Committee consisting of the President of NAC and Board members. The Executive Committee manages and controls NAC activities and affairs and has power between Board meetings, to act on behalf of the Board unless specifically prohibited by law or the bylaws.

The Commission on Accreditation formulates policies, methods, and procedures for granting, maintaining, and renewing accreditation. The President of NAC appoints Commission members who may be Board members or non-Board members. A list of the members of NAC's Commission on Accreditation as of July 1, 1974, is included as appendix II.

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The Commission on Standards refines and updates NAC's standards and approves new standards in areas not previously covered. A list of the members of NAC's Commission on Standards as of July 1, 1974, is included as appendix III.

As of January 1, 1974, NAC had 13 full-time employees --6 professionals, 6 clerks, and a business manager.

FUNDING AND EXPENDITURES FROM BEGINNING

In January 1967 the Vocational Rehabilitation Administration awarded NAC a 1-year research and demonstration grant with proposed funding to continue for 4 additional years. The grant was to improve the performance of agencies and organizations serving the Nation's blind and visually handicapped by implementing available standards and developing instruments for more effective standards use. At the time of the proposed 5-year grant, projected Federal funding was as follows:

Year	Amount Required
1967	$79,000
1968	70,000
1969	55,500
1970	48,500
1971	38,000

NAC's income since its beginning is shown in the table on page 9. Amounts shown for 1967-72 are from financial statements audited by certified public accountants. For economy reasons, NAC has changed its financial reporting from a calendar year basis to a July 1 to June 30 fiscal year basis. Therefore, current audited financial statements were not available when we did our fieldwork but will cover January 1, 1973, to June 30, 1974.

NAC received two special project grants from HEW's Office of Education (OE). Amounts expended under these grants were $9,196 and $65,281 in 1968 and 1969, respectively. The first grant was for developing standards for self-study instruments for use by residential schools serving the blind and visually handicapped. The second was for developing standards and evaluation criteria for producing reading materials for the blind and visually handicapped.

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The remainder of the income received from the Federal Government was from HEW's Social and Rehabilitation Service (SRS).

From NAC's beginning in January 1967 through December 31, 1972, major contributions came from the American Foundation for the Blind ($448,557), the Horace A. Moses Foundation ($28,000), the F. Cozier Foundation ($14,250), and the Herman Goldman Foundation ($10,000).

Based on NAC's unaudited financial statements for calendar year 1973, contributions and other public support came from the following sources:

Individuals (about 80 persons)	$ 10,526
Foundations	
American Foundation for the Blind	90,000
Herman Goldman Foundation	30,000
Concordia Foundation	10,000
William Bingham Foundation	10,000
Corporations (5)	3,275
Other	450
Total	$154,251

When we did our fieldwork, there was some question about the sources of future NAC funding. The original 5-year research and demonstration grant from SRS expired in December 1971. Subsequently, SRS proposed that funding continue for another 5 years. NAC received continuation grants for 1972, 1973, and 1974.

National Accreditation Council Income

Source	1967	1968	1969	1970	1971	1972	1973
Contributions and other public support	$ 80,000	$ 88,532	$98,367	$ 75,732	$107,085	$116,003	$154,251
Grants from Government Agencies	79,000	80,824	91,052	118,815	118,200	109,500	92,039
Dues and other revenue (note a)	7,868	9,597	13,224	22,026	40,595	33,323	34,047
Total	$166,868	$178,953	202,643	216,573	265,880	258,826	280,337
Less amounts restricted by donors or grantors for particular purposes			38,668	21,477	21,010	9,500	14,169
Support and revenue available to finance general activities			$163,975	$195,096	$244,870	$249,326	$266,168

[a]Membership dues of accredited organizations which amount to 1/20 of 1 percent of an organization's operating budget with a minimum of $50 and a maximum of $500

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In March 1973 an SRS review team was appointed to obtain information on the operation, budget, and administration of NAC. The team recommended Federal funding as follows:

Year	Amount
1973	$100,000
1974	90,000
1975	80,000
1976	70,000
1977	60,000
Total	$400,000

As shown in the table on page 9, total Federal support for NAC in 1973 was about $92,000. In 1974 the Commissioner, Rehabilitation Services Administration, approved a continuation grant of $90,000 for 1974 and recommended to the Associate Administrator for Planning and Research, SRS, that NAC receive $45,000 in 1975 after which the grant would be discontinued.

The Assistant Administrator, Research and Demonstrations, SRS, said that when NAC was awarded the initial 5-year grant SRS intended that NAC would achieve eventual self-sufficiency; he believes that NAC will have had enough time to achieve the objectives of the grant by the time the $45,000 for 1975 is spent.

According to the Associate Director, NAC, this reduced level of funding was unexpected and places NAC in a completely different situation as far as funding support is concerned. When we did our fieldwork NAC had not made definite plans on how to cope with this eventuality, but the Associate Director indicated that requesting SRS to review its revised grant recommendation for the future remained one of the options for NAC to consider. He said that NAC had relied on the recommended funding levels of the team as its best estimate of future Federal funding.

During the SRS review, NAC informally advised the team that, if Federal support were terminated, its projected funding sources for 1976 were as follows:

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American Foundation for the Blind	$90,000
Fees and dues	50,000
Individuals	100,000
Foundations	50,000
Corporations	50,000
	$340,000

NAC advised us that, at the time of the SRS review, its 1976 projected funding sources, if Federal support were to continue, were as follows:

HEW	$100,000
American Foundation for the Blind	50,000
Fees and dues	60,000
Other sources	127,000
	$337,000

NAC anticipated that the Federal Government would continue to be a source of "special project funds" for such services as updating standards and testing their effectiveness.

RECOGNITION OF NAC AS ACCREDITING BODY

The Commissioner of Education is required, under 38 U.S.C. 1775, to publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of education or training offered by educational institutions or programs.

The initial step toward recognition as a national accrediting body is the filing for such recognition with the Director, Accreditation and Institutional Eligibility Staff, Bureau of Higher Education, OE.

The Accreditation and Institutional Eligibility Staff then reviews the agency's standards and procedures for conforming to criteria for nationally recognized accrediting associations and also makes any other necessary inquiries to present accurate and comprehensive information to the Commissioner's Advisory Committee on Accreditation and Institutional Eligibility. The Secretary, HEW, established the Advisory Committee in May 1968. It is composed of 15 members

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selected from the secondary and postsecondary education community, the student/youth population, State departments of education, professional associations, and the general public.

The Committee assists the Commissioner in eligibility determinations. It also advises him on broader policy matters and specific issues relating to accreditation and institutional eligibility for Federal funds.

The Commissioner has confined his recognition to organizations involved in the accreditation of educational institutions and programs.

The Accreditation and Institutional Eligibility Staff has identified the functions of accreditation in its pamphlet titled "Nationally Recognized Accrediting Agencies and Associations." The functions include:

1. Certifying that an institution has met established standards.

2. Assisting prospective students in identifying acceptable institutions.

3. Helping to identify institutions and programs for investing public and private funds.

4. Creating goals for self-improvement of weaker programs and stimulating a general raising of standards among educational institutions.

5. Involving the faculty and staff comprehensively in institutional evaluation and planning.

6. Establishing criteria for professional certification, licensure, and for upgrading of courses offering such preparation.

7. Providing one basis for determining eligibility for Federal assistance.

NAC submitted its petition for national recognition as a specialized accrediting institution for secondary residential schools for the blind in October 1970 and was formally

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recognized as the accrediting body in this field by the Commissioner of Education in August 1971.

NAC's overall rating by the Accreditation and Institutional Eligibility Staff was 4 on a scale of 1 to 4, with 4 being the highest score. However, the staff did sight "acceptance by the practitioners in the field" as an area in which NAC's response was weak.

In December 1973 NFB requested that NAC be removed from the Commissioner's list of Nationally Recognized Accrediting Agencies and Associations because NFB believes that NAC (1) does not act in the best interests of the blind, (2) holds closed board meetings and (3) lacks representation by users. In March 1974 the Commissioner's Advisory Committee on Accreditation and Institutional Eligibility gave NAC an opportunity to respond to the NFB charges. After considering the NFB and NAC presentations, the Advisory Committee determined that it had not found cause for revoking NAC's recognized status and that recognition would continue until December 1975 when NAC was scheduled for its regular review by the Eligibility Staff and the Advisory Committee.

The Commissioner of Education recognizes NAC as the accrediting body for secondary residential schools for the blind, but NAC also accredits organizations providing library, social, vocational, rehabilitation, and other services to the blind. During our review 14 of the 56 accredited agencies for the blind were residential schools.

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CHAPTER 3

NAC ACCREDITATION STANDARDS

Each of 12 separate committees of the Commission on Standards and Accreditation of Services for the Blind developed a report on standards. The accreditation philosophy and methodology in the reports relate closely to those in education. Five deal with administration and seven cover service programs.

NAC adopted the original standards, which are still in effect in most instances. The standards developed by the Commission on Standards and Accreditation of Services for the Blind were presented at a national conference in December 1965. Before the conference they were sent to interested parties for comments.

NAC standards cover the administrative areas of financial accounting and service reporting, personnel administration and volunteer service, agency function and structure, physical facilities, and public relations and fundraising. The service program standards cover education, library services, orientation and mobility services, rehabilitation centers, sheltered workshops, social services and vocational services. NAC also has published standards covering the production of reading materials for the blind.

NAC has recently sent invitations to three recognized national organizations of the blind, including NFB, to participate in scheduled sessions to update and revise its standards.

During the SRS review visit, the Executive Director NAC, indicated that, since its inception, NAC had built a recommendations file for changes or additions to its standards, but it had not been able to act on all of these recommendations. He said that suggestions which reflected clear and evident need for review were acted upon. The primary reason that not all suggestions could be considered was the need, according to NAC, to concentrate its resources on accrediting as many agencies as possible.

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We reviewed:

--Selected portions of NAC standards to be followed by sheltered workshops regarding wage and hour policies and rights and benefits of clients.

--NAC standards for sheltered workshops and residential schools regarding the image of blindness conveyed by agencies.

--NAC standards and Federal regulations regarding collective bargaining for sheltered workshops.

A list of the NAC-accredited facilities visited is presented as appendix IV.

WAGE AND HOUR POLICY

NAC standards on wage and hour practices of sheltered workshops require compliance with prevailing Federal and State wage and hour regulations. Sheltered workshops are nonprofit organizations which provide vocational rehabilitation services and which produce and sell goods orservices. When applicable, workshops must have certification from the Wage and Hours Division, Department of Labor, and from the appropriate State agency authorizing client wages less than Federal or State statutory minimums.

In September 1966 the Fair Labor Standards Act of 1938 (29 U.S.C. 201) was amended to prevent the curtailment of employment opportunities for blind and handicapped workers by authorizing the Secretary of Labor to grant special workshop certificates to employers for the payment of less than minimum wages to workers whose productive capacity had been impaired by age, physical deficiency, or mental deficiency. The act stipulates that these wages cannot be less than 50 percent of the statutory minimum wage or 50 percent of the wages paid for commensurate labor in comparable industries. However, not included under special minimum wage certificates are:

1. Trainees, learners, or employees undergoing evaluation who have
--been certified not capable of working in competitive industry by Labor and the State Department of Vocational Rehabilitation;

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--not been in a training program for more than 12 months; or
--not been in an evaluation program for more than 6 months, except in special cases when an 18-month extended evaluation program may be authorized.

2. Work activity center employees whose production is inconsequential to the therapy received.

3. Multihandicapped workers who have been certified not capable of working in competitive industry by Labor and the State Department of Vocational Rehabilitation.

The Fair Labor Standards Act does not require employers to meet any minimum wage payment limits for trainees and work activity center employees; however, in the case of multihandicapped workers, Labor sets a minimum wage of not less than 25 percent of the statutory minimum wage.

NAC standards state that workshops should pay wage rates commensurate with those paid for similar types and amounts of work by local commercial and industrial establishments maintaining approved labor standards. NAC standards recommend that workshops for each type of work performed maintain records showing the best information available on normal productivity of average nonhandicapped workers. These records should show the source of information, whether from commercial or industrial establishments, time studies, or other sources.

The standards state that workshops should also maintain records, and review them at least annually, of local prevailing wage rates in industry for the same or similar types of work as done in the workshop or, if not readily available, for work requiring a similar level of skill. The records should show the dates and sources of the information. This and other information is to be used in setting and paying individual client wage rates. In no case should rates be less than the applicable legal minimum.

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We visited three workshops to (1) determine whether they had the required Labor certification, (2) determine whether they maintained records showing information on non-handicapped workers productivity and the prevailing wage rates paid by industry for the same or similar work, (3) solicit views concerning wage rates from management officials and workshop clients, (4) review records, and (5) observe production operations at the workshops. The following table summarizes our findings.

	Workshop A	Workshop B	Workshop C
Wages based on	Piece rate, commensurate with those paid to sighted workers in comparable jobs in the area.	Piece rates are commensurate with comparable jobs in the region as computed by the State Department of Labor. Hourly wage rates are computed by relating client's performance and prevailing regional wage rates as computed by the State Department of Labor.	Piece rate, similar to those paid sighted workers in industries manufacturing comparable products.
Labor workshop certificates authorize (note a)	Guaranteed hourly rate of $1.20 for regular blind clients in 1973 and 80 cents an hour for learners.	Guaranteed hourly rate of $1.20 to $1.46 for regular blind clients in 1973 and 80 cents an hour for learners.	Guaranteed hourly rate of $1.45 for regular blind clients in 1972 and 80 cents an hour for learners.
Records maintained	Used most current wage and productivity statistics provided by State and maintained their own payroll and productivity records.	Maintained payroll and productivity records.	Maintained payroll and productivity records.

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	Workshop A	Workshop B	Workshop C
Client comments	Piece rates should be revised more often and equipment upgraded.	Workers should be paid at least statutory minimum wages.	Wages should be increased.
General	Workshop staff estimated 75 percent of workshop's production workers were multi-handicapped but emphasized that the only limitations to workers' potential were abilities and fears.	Sheltered workshop application showed the wage rates are reviewed and revised every 6 to 8 months. Increases depended on level of funding received from State legislature to subsidize workshop sales revenues.	Workshop staff informed us that hourly wage had to be supplemented with other funds to provide a subsistence level.

[a]Labor guaranteed hourly rates are paid to piece rate workers when piece rate earnings as computed by multiplying the piece rate (which is commensurate with those paid to sighted workers) times the number of units produced is less than the Labor guaranteed rate times the number of hours worked.

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RIGHTS AND BENEFITS OF CLIENTS

NAC standards provide that the workshop provide clients with fringe benefits consistent with good personnel practices in regular industry, including at least three of the following.

1. Old Age Survivors and Disability Insurance.

2. Workmen's Compensation Insurance or its equivalent.

3. Minimum of 10 days' full pay for vacation and/or holidays.

4. Minimum of 5 days' paid sick leave a year.

NAC standards recommend that workshops prepare a personnel manual to be distributed to all of its clients, outlining the conditions, benefits, and responsibilities of employment.

The standards also recommend regularly scheduled meetings of clients and management to discuss matters of mutual concern. These should serve to:

--Inform clients about those aspects of workshop operations and plans which bear on their welfare.

--Enlist the clients' cooperation to achieve efficient use of the workshop resources.

--Receive client suggestions and answer questions.

The following table summarizes the circumstances regarding fringe benefits and client representation with management at the three workshops we visited.

	Workshop A	Workshop B	Workshop C
Vacation leave	Closed 2 weeks a year for vacation. However, if production schedules do not permit this, clients are scheduled for vacations at another time (accumulates 1 day for every 5 weeks worked). Hourly clients paid at their hourly rate; piece rate employees paid at their average hourly earnings for preceding 6 months.	1 hour for 20 hours worked. Paid on average hourly rate for past two pay periods or Labor certificate rate, whichever is higher. Clients can accrue up to 30 days of vacation leave.	No leave accrued for first 60 days after which clients receive 1 day a month. After 10 years workers receive 1½ days a month. Hourly clients are paid on the basis of their current hourly rate. Piece rate clients are paid on the basis of their average hourly earnings for the past 6 months.
Holidays	10 holidays--clients paid on same basis as vacation pay.	Observed 11 paid holidays of other State employees. Paid on average hourly rate for past two pay periods or Labor certificate rate, whichever is higher.	Workshop observes the same holidays as the Federal Government. Paid on the same basis as vacations.

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	Workshop A	Workshop B	Workshop C
Sick leave	Can accrue 1 day sick leave for a month of employment, up to 60 days. Paid on same basis as vacation pay.	One hour per 20 hours worked. Paid on same basis as vacation pay.	10 days per year; can accrue up to 90 days. Both hourly and piece rate clients are paid on the basis of their guaranteed hourly rate as stated in the Labor Certificate.
Workmen's compensation	All clients insured in compliance with workmen's compensation law.	All clients insured in compliance with workmen's compensation law.	All clients insured in compliance with workmen's compensation law.
Old Age Survivors and Disability Insurance	All clients enrolled in the program.	All clients enrolled in the program.	All clients enrolled in the program.

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	Workshop A	Workshop B	Workshop C
Other benefits	Blue Cross-Blue Shield Hospitalization Plan (voluntary at client cost).	Paid Hospitalization plan. (Extra coverage available at client cost).	Individual Blue Cross-Blue Shield coverage is provided to the client by the workshop; family coverage is available at client's expense. Basic group life and accidental death and dismemberment insurance and supplemental benefits. (Basic policy is voluntary at 50 percent of the premium cost to the client. Supplemental benefits are voluntary at 100 percent of the premium cost to the client.)
Workshop retirement plan	Noncontributory retirement plan (based on length of service).	Approval of a noncontributory retirement plan is pending.	Tax sheltered annuity plan (voluntary at client cost).
Client information and input	Workshop client manual distributed to each production and administrative worker. See additional details on page 25.	Furnishes personnel manual to each client. Five member Appeals Committee made up of workshop clients meets periodically with management to discuss areas of concern.	Furnishes personnel manual to each client; no formal committee for client input; clients encouraged to discuss their problems with workshop managers.

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(cont)	Workshop A	Workshop B	Workshop C
Client information and input		13 member services advisory committee which acts as liaison between State agency and consumers of blind services.	
Client comments	Should establish seniority system regarding vacation leave.	Should establish seniority system regarding vacation leave.	Grievance committee not necessary but such might be helpful in some especially troublesome situations. Clients believed they could discuss problems with management.

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The executive vice president of workshop A informed us that an 11-member work relations committee was to meet quarterly and was to represent a cross section of the service units at the workshop. He stated that the units were to elect their own representatives.

In January 1974 several clients at the workshop indicated that the committee last met in March 1973 and that the representatives were not voted on but were designated by the several supervisors. As a result, the clients did not believe that they had adequate representation with management.

We subsequently discussed the committee with the executive vice president who advised us that the committee had not functioned as intended and management had been unable to find a workable solution to this problem during the 5 years it had been working on it.

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IMAGE OF BLINDNESS

NAC standards on how agencies serving the blind and visually handicapped represent their clients or workers to the community include:

1. Maintain a program of community and public education designed to stimulate realistic attitudes toward an understanding of blind people and to increase their opportunities to participate in general community life.

2. Insure that references to blind persons and to the field of blindness are within the bounds of good taste and show a positive and constructive viewpoint.

3. Conduct and promote educational programs designed to combat prejudice and discrimination directed at blind persons.

Officials of the three workshops and the residential school we visited said the following procedures were used to educate the public about the problems confronting the blind and to provide services to visually handicapped persons.

Workshop A

--Opens its facilities to tours by groups, schools, and individuals.

--Operates a mobile eye examination unit.

--Makes speeches by workshop staff at various service organizations.

Workshop B

--Organization staff available to speak at civic organization meetings.

--State Commission, of which the workshop is a part, publishes brochures on insights into the world of the blind.

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--Runs many public educational programs in conjunction with the Governor's Committee on the Handicapped which annually sponsors a handicapped workers week.

Workshop C

--Employs a mail appeal program which includes public information literature on the problems of the blind.

--Staff members conduct public information lectures for local service organizations and groups.

Residential school

--Staff members delivered over 200 lectures in the 18 months preceding our visit. Students participate in class exchange programs with local public school districts.

--Operates a vocational evaluation program with State workshop for the blind.

--Develops individual plan of action for each student.

The Director, Accreditation and Institutional Eligibility Staff, OE, who was a member of the SRS review team informed those present at the SRS site review of NAC that NAC had done as well as any recognized accrediting organization in establishing standards and, in some such areas as public involvement, had done a superior job.

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GAO OBSERVATIONS ON WAGE AND HOUR POLICIES, RIGHTS AND BENEFITS OF CLIENTS, AND IMAGE OF BLINDNESS

The workshops had obtained the required sheltered workshop certificates authorizing the payment of less than minimum wages.

The workshops were providing fringe benefits and were distributing personnel manuals in accordance with NAC standards; however, the extent and means for providing employees an opportunity to meet with management to discuss areas of mutual concern varied. Formal structures for providing client representation either did not exist or were not functioning as intended by management at two of the workshops. At the residential school which had about 390 students enrolled according to its April 1972 biennial report, there were 22 standing committees. These committees, one of which had student representatives, were involved in the NAC self-study at the school.

We did not evaluate the effectiveness of organizational, educational, or public relations programs because of the limited scope of this review.

COLLECTIVE BARGAINING IN SHELTERED WORKSHOPS

The Chairman requested that we inquire into whether NAC-accredited organizations allow collective bargaining for clients. NAC standards state that clients have the right to organize and bargain collectively in accordance with law. The executive director of the General Council of Workshops for the Blind said he knew collective bargaining existed at one workshop.

The business manager of the union which represented the sheet metal workers of the workshop advised us that these workers initially were active in union activities. However, changes in union membership at the workshop and a request by the union to increase medical plan contributions from workshop clients resulted in decreased participation in union activities by the visually handicapped members. Rather than pay the increased costs of the medical plan, the workshop clients chose to seek another medical plan.

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According to the union's business manager, the union has not officially pulled out of its agreement with the workshop clients and it is still available for assistance in labor disputes. However, he said that the workshop has tied nominal increases in wages to the cost of living and that the increases were accepted by the workshop clients. Consequently, workshop union members have not recently enlisted the aid of the union.

NATIONAL LABOR RELATIONS BOARD DECISION

Because of the Chairman's interest in the collective bargaining issue, we inquired of the National Labor Relations Board (NLRB) if there are any regulations regarding collective bargaining in sheltered workshops. According to the Board, NLRB's current policy regarding this issue is reflected by the decision Sheltered Workshops of San Diego, Inc., 126 NLRB 961, March 4, 1960.

In this case NLRB found that the workshop's purposes were directed toward rehabilitating unemployable persons and decided that its commercial activities should be viewed only as a means to that end. NLRB decided that it would not serve the purpose of the National Labor Relations Act to assert jurisdiction.

In its decision NLRB cited the following excerpt from the Report of the House Conference Committee on the 1947 amendments to the National Labor Relations Act as the guide for governing NLRB action in such matters.

> "The Conference agreement * * * follows the Senate amendment in the matter of exclusion of non-profit corporations and associations operating hospitals. The other non-profit organizations excluded under the House Bill are not specifically excluded in the conference agreement, for only in exceptional circumstances and in connection with purely commercial activities of such organizations or of their employees have any of the activities been considered as affecting commerce so as to bring them within the scope of the National Labor Relations Act."

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Although the act specifically excludes from the term "employer" only one type of nonprofit organization--hospitals --the NLRB guide, in deciding whether to assert jurisdiction over other nonprofit organizations, is the test of whether they were engaged in activities which were "commercial in the generally accepted sense."

Among the things pointed out by the workshop involved in this case in support of its contention that it was not an employer in relation to its clients were

--its objectives of placement and training,

--the criterion of unemployability used in selecting participants in its program,

--the amount of time spent in counseling for which the participants lose no pay, and

--the absence of compulsion or direction over the participants by creating an atmosphere in which they will voluntarily agree to perform whatever work is assigned to them as part of their rehabilitation.

The NLRB decision stated that a combined work and training program, as existed at this workshop, necessarily contains some elements ordinarily existing in an employment relationship, such as control over entrance and termination, discipline, fixing rates of compensation, and supervision. However, the emphasis placed on training, counseling, rehabilitation, and placement tended to establish that the workshop's essential purpose was to provide therapeutic assistance rather than employment.

The final vote in this decision was 3 to 2 with the dissenting members making the following observations:

" * * * The majority finds it unnecessary to decide whether the Workshop is an "employer" within Section 2(2) of the Act, or whether it is an "employer" in the generic sense of that term, as meaning that the legal relationship of master and servant exists between the Workshop and the participants. We believe that the Workshop is an employer in both senses. Although it

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provides a form of treatment for individuals with special needs, it certainly does not meet any reasonable definition of a hospital nor does it conform to any of the other specific exclusions which are set out in Section 2(2). We are also satisfied that the relationship between the Workshop and the participants is one of employment. The Workshop requires regular and sustained work from the participants in its rehabilitation program. That program is largely dependent on the income derived from the services performed by the participants. The Workshop provides the facilities for such work, utilizes the clients' labors in producing a work product or service which is salable in regular commercial channels, regulates their hours of work, and pays them at rates which take into account to some extent differences in proficiency and productivity. It pays them for vacations, it docks them for time lost from work, * * * it expects them to work, and pays them in accordance with their capacities. Although the clients are not expected to meet standards usually encountered in businesses operated for profit, and although the Workshop's ultimate objective is in training and rehabilitating its clients, we are satisfied that the compensation which the clients receive is earned by them for services they perform.[4]

"Secondly, we assume that the majority agrees that the Workshop is engaged in commercial activities. * * * One need only compare the $560,000 which the Workshop has received from industrial firms since 1955, with the donations and fees which have amounted to less than $30,000 in the same period, to recognize the extent to which the Workshop is engaged in commercial activities.

"* * * The majority has balanced the Workshop's commercial activities against its rehabilitation program and has decided that the latter outweighs the former. We would balance the Workshop's total program, commercial, and rehabilitative, against the rights of these unfortunate and disabled employees, and would find that the latter is equally important. * * *

"[4]We noted that the exemption from the minimum wage requirements of the Fair Labor Standards Act which the Workshop enjoys is granted by the Wage and Hour Division on the premise that an employer-employee relationship exists."

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"We would find that the Workshop is an employer substantially engaged in commercial activities, and since a basic policy of the Act is to encourage collective bargaining, we would hold that it is better effectuated by asserting jurisdiction than by not asserting it."

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CHAPTER 4

ACCREDITATION PROCESS AND REPRESENTATION IN NAC AFFAIRS

The Chairman requested that we review

--the process for attaining NAC accreditation and how it affects the blind and visually handicapped and

--charges that NAC fails to notify representatives of the blind and visually handicapped of the times and places of its Board of Directors and executive committee sessions and excludes the blind and visually handicapped from these meetings.

We reviewed the process for attaining NAC accreditation; NAC's policy on notification of, and access to, its meetings; the availability of the minutes of its meetings; and the distribution of names and addresses of its Board members.

ACCREDITATION PROCESS

To be eligible for NAC accreditation, an organization must provide direct services for which NAC has promulgated standards. The initial step toward accreditation is the filing of an application and purchase of NAC's requisite self-study guide. An application fee of $150 is charged each organization. The self-study usually lasts from 3 to 12 months, and the organization seeking accreditation must develop a precise statement of its operating philosophy and its service and program objectives. During the self-study, the organization should make an objective critical analysis of every segment of its operations.

When the self-study is completed the organization submits its statement of purpose and other findings to NAC for review. After a preliminary review by NAC staff, NAC forwards to the organization a roster of potential reviewers selected from about 800 volunteers. The organization can request removal of any potential reviewer's name from the roster. NAC selects the review team, including members with the necessary administrative experience and professional or technical knowledge. Before the review, NAC provides

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the applicant organization and the team members with guidelines. The members are given the sections of the applicant organization's self-study which apply to their assigned areas. The applicant organization must pay the team's expenses.

Once at the site location, the team, through its subcommittees, validates the applicant organization's self-study report, covering the five management areas and each area of service provided by the organization for which NAC has standards. The validation is done in the light of the standards and of the organization's own statement of its philosophy and program objectives. The validation process uses the following methods: observations of program and management practices; interviews (with staff, Board members, volunteers, users of service, other community groups); examination of primary documents (financial records, personnel files, client reports, official minutes) of the organization; and examination of other documents (auditor's reports and reports of applicable Federal, State and municipal licensing and regulatory bodies).

In the case of a residential school, interviews include student activity leaders and other students selected at random who are not activity leaders. According to NAC, the procedure followed at workshops usually includes contacts with clients although there have been exceptions and there is no written directive concerning this.

During the SRS site review of NAC, the NAC Executive Director said that clients located at the workshop could be contacted in the same manner as students but some clients live several miles from the workshops under review. Contacting these clients could make the cost of the team visit prohibitive for these organizations.

Because the Chairman was also interested in whether workshop clients or students were represented on NAC accrediting teams we asked about this at the NAC-accredited organizations visited. In no instances were workshop clients or students members of the review teams. NAC said however, that former workshop clients and students have been included on site teams.

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After the visit, which usually takes 3 days, a report which represents a consensus of team members' findings, commendations, and recommendations made in relation to the standards and the organization's own statement of philosophy and program objectives is submitted to the applicant organization for comments or corrections. After the organization has made clarifications or corrections, the report is submitted to the Commission on Accreditation for consideration in deciding whether to grant, deny, or defer accreditation. The team does not make recommendations on whether to grant, deny, or defer accreditation.

The Commission on Accreditation carries full and final responsibility for all decisions on applications, including appeals. If an organization wishes to appeal the Commission's appeal decision, the organization can request an administrative review which is conducted by a special administrative review committee appointed by the President of NAC.

The Commission may grant accreditation for less than the maximum 5 years provided the organization makes recommended changes. Organizations accredited for the 5 years would be reevaluated after that time. Annual reports, stating progress made on any NAC recommendations, are required of all accredited organizations.

Team members are reminded before beginning the review that NAC keeps information from organizations confidential and team members are expected to abide by this policy.

Accordingly, NAC has established several policies to be applied to standards that deal with student and workshop employee records including:

--Students and workshop employees have a right to the protection of confidential information about themselves.

--The student's or employee's consent is to be obtained before information concerning him is sought from other sources.

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--Student or employee-entrusted confidences are protected from disclosures to any staff member whose knowledge of such is not essential for providing services to the student or employee.

--Confidential information is not communicated to anyone outside the organization without the written consent of the student or employee or other legal authority.

--An organization receiving a confidential report on a student or employee from another organization or individual does not have the right to divulge this information to a third party without securing the student's or the employee's written permission.

--The organization has written statements governing confidentiality.

--The organization instructs staff members on their responsibility for maintaining a regard for confidentiality in day-to-day practice.

As indicated above, it is the general policy of site review teams which are visiting residential schools to contact students. At the school we visited, this was found to be true.

NAC does not have a formal procedure requiring team members to contact representatives of the national organizations of the blind in the area where they are conducting a site visit so that these representatives can present their views. The NAC Executive Director informed those present at the SRS site review that each of the 3 days of the site visit is a 14-hour planned workday and any increases in time would increase the cost to the organization under review.

On February 17, 1974, NFB representatives met with members of the NAC review team which visited a North Carolina workshop which was seeking accreditation. The executive director of the workshop invited NFB representatives to meet with the review team to discuss their workshop impressions.

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Because of this case, we asked the Associate Director, NAC, if NAC had made formal plans to contact representatives of the national organizations of the blind before site visits to obtain their thoughts about organizations seeking accreditation. He said:

--NAC policy regarding site team contacts with consumers who are members of affiliates of the national organizations of the blind is to urge the team to contact representative users of the services of the organization seeking accreditation, and this may or may not include representatives of the national organizations which represent the blind.

--The administrator of the organization being reviewed is requested to arrange for meetings with representative users or consumers of the organization's services.

--NAC believes the administrator of the organization under review is in the best position to decide who should be contacted to give the NAC team a fair evaluation of the services provided by the organization. It is up to the administrator to decide whether the representatives of the national organizations should be included in such meetings.

--In the past, representatives of NFB and the American Council of the Blind and other organizations have been invited to attend such meetings even though it is not a NAC requirement.

The following comments concerning participation in the accreditation process were made by clients and staff (including some who had served on review teams) at the organizations we visited.

Workshop A

--Clients were contacted during the review.

--Review team members did not contact local blind organizations, nor was it thought to be necessary.

--There was no client input into the self-study evaluation of the agencies.

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Workshop B

--Clients were not contacted by review team members during the review, only agency staff personnel were interviewed.

--Review team members did not contact local blind organizations.

--There was no client input into the self-study evaluation.

Workshop C

--There was no direct client input into the accreditation process. Staff members participated in the self-study.

--Executive Director was not aware of any review team contacts with local blind organizations.

--Clients were contacted by members of the team.

Residential school

--Team members mingled with clients during the review.

--Team members did not contact local blind organizations.

--Clients participated in the self-study.

NFB comments

We asked local NFB representatives in the areas of the three workshops and the residential school we visited what type of working relationship they had with these four NAC-accredited organizations. The NFB representatives made the following comments concerning the four sites.

Workshop A

--There was no client input during the site review.

--There was no contact with the local NFB representatives during the site review.

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--The local NFB representatives enjoy a good working relationship with the organization, and staff members from the organization attend and address NFB meetings occasionally.

--NFB representatives attribute this good relationship not to NAC but to the organization's management.

Workshop B

--NFB representatives and organization employees were not contacted by the NAC team during the visit.

--Relationships with the organization are generally good.

--NFB has, in the past, supported the organization's budget and planning documents, however, NFB has advised the organization that it will withdraw this support if the organization seeks reaccreditation.

--The organization maintains a liaison committee with NFB which discusses potential problem areas.

--The organization has a 13-member Advisory Committee which includes two NFB members. The Committee makes recommendations to the organization, including such matters as workshop salaries.

--Organization staff members are cooperative and receptive to NFB inquiries.

--NFB believes that the organization can improve its services more effectively by working with NFB than by applying for NAC reaccreditation. In this regard, NFB requested a State Senator to support legislation to prohibit the organization from seeking reaccreditation but he denied this request.

--There is a problem because the organization maintains an attitude which portrays the blind as unable to help themselves.

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Workshop C

--NAC team members had no contact with NFB or the organization's clients.

--Wages at the organization are paid in accordance with Federal statutes.

--Evaluation of workshop client mobility rehabilitation needs has been limited.

--Clients of the organization have very little input into the organization's operation.

--On the whole, relations between NFB and the organization are average or below.

Residential school

--Unable to comment on student input during the NAC review.

--The local NFB representatives enjoy a good working relationship with the organization, and staff members from the organization attend and address NFB meetings occasionally.

--NFB representatives attribute this good working relationship not to NAC but to the management of the organization.

CONSUMER REPRESENTATION

In November 1973 NAC officials gave us the NAC Long-Range Planning Committee's working definition of "consumer" that encompassed four basic groups.

1. Immediate consumers-the organizations and residential schools that supply direct services to the blind and use NAC's accreditation process.

2. Less immediate consumers-government, planning bodies, and profitmaking firms in the rehabilitation and related fields, professionals concerned

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with improvements, general educators, and others who can use NAC's methods, standards, and experience in bringing about improvements in other aspects of health and welfare services.

3. Public consumers-the public as a whole is a consumer of NAC services, since the public pays for the existing services to the blind and visually handicapped and use NAC services to make sure that contributions and tax funds are well spent and prudently managed.

4. Ultimate consumer-the blind or visually handicapped person. NAC'S stated aim is to help such persons lead happier, more self-reliant lives by bringing about improvements in the kinds of services available to them through organizations and residential schools. The application of the standards produces results in organizations' programs and methods which in turn are used by the blind person who wishes to improve his situation.

NAC advised us that consumers of services for the blind participate in NAC activities in various ways. For example, according to NAC, members of NFB, the American Council of the Blind, and the Blinded Veterans Association were on NAC's Board of Directors. These members were selected not from names recommended by these organizations, but through NAC's normal selection process. NAC also advised us that the Board includes other blind persons who are not members of organizations of the blind. Also, according to NAC, the Commission on Standards and the Commission on Accreditation include blind persons.

At the time of our fieldwork, there were several blind persons on NAC's Board. The Board also included persons who were members of the American Council of the Blind and the Blinded Veterans Association. The President of NFB was a former member of NAC's Board. NAC's Commission on Standards and Commission on Accreditation also included blind persons.

The August 1973 issue of The Braille Monitor which is published by NFB contains the following statement and definition of consumer:

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"The National Rehabilitation Association * * * has something to say on the subject in its publication The Journal of Rehabilitation for September/October 1972. Their definition of a consumer and a consumer representative are very clear and right on target * * *

"Definition: (a) A consumer is defined as an individual who by reason of his disability is eligible for, may require, or is a recipient of some kind of human service including medical, rehabilitation, housing, transportation, et cetera, as provided by an agency.

"(b) A consumer group is defined as a group of consumers who have joined together for the general welfare of their membership.

"(c) A consumer representative is an individual who represents a constituency, who is elected by them, and accountable to them."

According to the NAC grant project officer, SRS does not have an official published definition of consumer, however, the definition used by the SRS site team was essentially as follows:

--Immediate consumer--the agency that used NAC accreditation processes.

--Ultimate consumer--the blind individual who receives the services provided by the accredited agency.

The SRS team's report contained a recommendation to NAC that it establish a Consumer Council. NAC advised us that the Board had expressed a desire to develop a Consumer Council before the SRS site visit. The SRS site team was told of this desire and incorporated it in its recommendations. NAC studied a number of proposals for implementing such a Council but they were considered prohibitively expensive. However, still wanting to establish a Council, NAC's Executive Committee tabled the plans until a more efficient plan could be developed.

The Director of OE's Accreditation and Institutional Eligibility Staff informed us that it is OE's policy to

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encourage a larger "public" voice in the affairs of its recognized accrediting organizations and that NAC was adhering to this policy. He indicated that the level of expertise in the accrediting body must be kept paramount.

Regarding the issue of consumer representation on the NAC Board, in April 1973, NFB officials suggested to the President of NAC that consumer representatives (see National Rehabilitation Association definition (c), p. 42) be selected to serve on the NAC Board. NFB proposed that these representatives be elected by and be responsible to the large organizations which represent the Nation's blind and visually handicapped.

In May 1973 NAC advised NFB that NAC is a chartered corporation and that

> "* * * the directors are responsible to NAC's legal constituency for seeing that NAC is managed so as to carry out its stated chartered purposes and that its funds are properly accounted for. A director or group of directors who were elected by, accountable to, and subject to recall by some outside corporation or organization would not be NAC directors. Under our charter, duly elected NAC directors could not abrogate their responsibilities to such persons. There is a great difference between having on NAC's Board blind persons who have first-hand experience with the services of agencies and schools for the blind and blind persons "elected" by some group other than the duly constituted electors. We shall continue to involve numbers of blind persons on NAC's Board in the former capacity."

In correspondence to Members of Congress, the President of NFB replied that:

> "NAC makes much of the fact that their corporate charter will not permit us to elect people to their board. This, of course, is a mere technicality. We could give NAC a list of our representatives, and they could elect them to their board. In case of resignation or recall, the new people could be elected. There is nothing illegal about this and, for that matter, nothing revolutionary or unusual."

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The President of NAC advised us that the demand by NFB that outside groups elect, hold accountable to themselves, and recall members of NAC's Board raises serious and fundamental questions under New York State laws. He said that, since directors are legally responsible and liable, the implications of having a class of directors who would not be legally responsible are profound.

NAC also advised us that, if it adopted bylaws providing for direct agency representation on the Board, an almost endless number of such groups might qualify: accredited agencies, sponsors, professional and technical organizations, citizen organizations, and consumer groups. NAC said that this in turn could cause expansion of the Board to an unwieldly and ineffective size, so instead NAC seeks a balance of all these interests in the broad public interest and has been recognized and commended for its success in so doing.

We pursued the matter of membership on the NAC Board with the Senior Attorney, Corporation Division, of the Office of the Secretary of State in New York, which is responsible for approving changes in NAC's certificate of incorporation. He believed that the binding fiduciary relationship to NAC, which is inherent in Board membership, precludes Board members from being accountable to or recallable by organizations other than NAC.

GAO OBSERVATION ON NOTIFYING BLIND ORGANIZATIONS OF NAC VISITS

During our fieldwork NAC did not have a policy for notifying the national organizations representing the blind or the general public of its planned site visits to organizations seeking NAC accreditation. However, if NAC instituted procedures for encouraging the organizations which are seeking NAC accreditation to notify the State or local affiliates of the national organizations of planned NAC site visits, the organizations could be prepared with suggestions or recommendations for the team to examine.

For example, NAC might use a system similar to that the Consumer Commission on the Accreditation of Health Services in the New York City area used.

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Section 1865 of the Social Security Act (42 U.S.C. 1395bb) provided that hospitals accredited by the Joint Commission on Accreditation of Hospitals (JCAH) were deemed to have met the requirements set forth in section 1861 (e) of the Social Security Act (42 U.S.C. 1395 x (e)) for hospital eligibility to participate in the Medicare program.

In 1972, JCAH established new policies and procedures which allow consumers a role in accreditation surveys. Upon written request to the hospital and JCAH:

--JCAH will provide the past accreditation history of the hospital.

--The hospital must provide the exact date that it will be surveyed (the hospital is notified of this date at least 6 weeks in advance).

--The hospital and JCAH must hold a public information interview.

At the public information interview, which takes place at the beginning of the survey, representatives from labor, the community, the patients and the hospital staff are given an opportunity to meet JCAH surveyors. At this interview, complaints, commendations and suggestions can be discussed. JCAH recommends that comments be tied into JCAH standards (available for a small charge) or be related to the patients' rights, safety, and health. Support documents are presented when possible to support statements about the hospital services and deficiencies.

The team conducts a survey of the hospital which may last one or more days. It is assumed that the team members will be alerted to the areas of commendations, complaints and deficiencies during the hospital survey. At the end of the survey, JCAH surveyors conduct a summation interview at which trustees, administrators, physicians or nurses can obtain a first-hand report of findings.

JCAH considers the summation interviews to be an educational experience. The survey team's findings are discussed point by point and the hospital may explain or rebut any findings.

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Also, the Commission publishes the names of hospitals in the New York City area which are scheduled for accreditation reviews during the upcoming quarter.

Amendments to the Social Security Act of 1972 (42 U.S.C. 1395 (aa) (c)) authorize the Secretary, HEW, to make validation surveys of hospitals which may already have been surveyed and accredited by JCAH, either on a selective basis or on the basis of substantial complaint. Under the law, representatives from labor, the community, and the patients and the hospital staff may write directly to the Secretary, HEW, specifying allegations and evidence of a hospital condition adverse to the health and safety of its patients. If allegations are presented, the hospital may be surveyed again by the State certification agency at the direction of the Secretary, HEW.

NAC comments and GAO evaluation

NAC said the Social Security Act, as amended, requires hospitals to be accredited in order to participate in Medicare; this is one of many indications of Federal reliance on accreditation as an instrument of national policy in protecting the client and the public and safeguarding public funds. NAC pointed out that the Rehabilitation Act of 1973 (Public Law 93-112) does not require accreditation of rehabilitation facilities.

According to NAC, potential legal problems are involved in disclosing the names of organizations which have applied for NAC accreditation before NAC site visits if these organizations are subsequently denied accreditation. If the organization is denied accreditation, this fact would become known when NAC publishes its list of accredited organizations. If the organization incurs damages because NAC denied it accreditation, NAC could face court action.

We believe that, if the NAC team has serious reservations about an organization's services, the potential clients of the organization should be apprised of such reservations.

It appears that NAC could urge administrators of organizations seeking accreditation to make their requests known when they decide to seek accreditation so that

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representatives of the national organizations of the blind and other interested parties could be included in discussions of the organization's programs. Such broad-based discussions would have the added advantage of possibly pointing out areas for improvement which the site team might not ordinarily consider during its 3-day visit.

PARTICIPATION AT NAC BOARD MEETINGS

Before its December 1973 Board of Directors meeting, NAC policy on representation at its meetings was as follows:

> "In accordance with its general policy of openness, the Board encourages input by individuals and groups who have a determinable interest in the welfare of blind persons as it may be affected by the National Accreditation Council. Therefore, although the Board meetings are not open for general observance by non-Board members, every reasonable consideration is given to requests for special purpose appearances at or presentations to meetings of the Directors."

Anyone wishing to make a special presentation to the Board was requested to submit a brief summary with the request to NAC.

NAC officials made additional comments concerning this policy to us in November 1973.

--Information concerning annual corporate meetings was published in the Standard Bearer, NAC's quarterly publication.

--Annual corporate meetings were open.

--Special purpose appearances by non-Board members could be accommodated at NAC Board meetings concerning specific matters.

--Allowing a large number of speakers and addresses at Board meetings would be impracticable because of space and time constraints.

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--NAC staff members solicit comments from representatives of the blind to be considered for discussion at Board meetings before the actual meetings.

The Board, at its December 1973 meeting, revised its policies and procedures regarding admitting representatives of the national organizations of the blind to its meetings.

Regarding revisions to these policies and procedures the Board considered the following:

--NAC's primary constituency is made up of those organizations which have achieved NAC accreditation and by that virtue have representation in NAC activities.

--Annual NAC corporate meetings were open.

--NAC maintains a permanent staff, which includes among its responsibilities that of affording a channel to Board members for all responsible communications from individuals or groups who have valid business.

--Officers and members of the Board are widely dispersed throughout the Nation, and direct access to them is easy for any communication validly related to the NAC function.

--Staff and Board are both expected to transmit communications related to or affecting NAC business.

--Approved Board minutes are available for inspection during regular business hours by NAC-accredited organizations.

On the basis of these comments, the Board, at the December 1973 meeting and again at its May 1974 meeting, resolved that:

--The NAC Board adopts a general policy of openness which encourages input by individuals or groups who have a determinable interest in the welfare of blind persons as it may be affected by NAC, and

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--A representative of any national organization concerned with services for blind and visually handicapped persons is welcome as an observer at any NAC Board meeting, except executive sessions, and every reasonable consideration will be given to requests for special-purpose appearances at or presentations to Board meetings if reasonable advance notice is given so that adequate accommodations may be provided.

Additionally, the NAC Board adopted a policy at its May 1974 meeting of inviting corporate members and sponsors to attend any Board meeting.

NAC policy on distributing Board minutes and lists of Board members

NAC policy on distributing minutes of Board meetings was to give minutes to Board members but not to make them available to outside observers, except those sections of the minutes already quoted in the Standard Bearer. On July 11, 1974, the NAC Associate Director said the NAC Board, at its May 31, 1974, meeting, had adopted as a part of its policy on openness that Board members, Corporate members, and sponsors, could, upon request, receive copies of all past and future minutes of Board meetings. He also said that the Board adopted a policy whereby other interested parties could receive, at cost, minutes of all past and future Board meetings. The Executive Director advised that NAC has a policy of providing agendas or additional information for future meetings to only Board members, Corporate members, or sponsors.

NAC officials said the names, home towns, and States of Board members are made public. For matters concerning NAC, the mailing address for Board members is the NAC headquarters office and, therefore, Board members street addresses are not published.

GAO OBSERVATIONS ON LEGALITY OF NAC POLICY FOR NOTIFICATION OF AND ACCESS TO BOARD MEETINGS AND MINUTES OF SUCH MEETINGS

Our analysis of NAC's procedures for notification of and access to its Board of Directors and Executive Committee

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meetings and to the minutes of these meetings indicates that NAC is not violating any statute or the terms and conditions of its Federal grants. NAC can legally exclude representatives of the public or consumer groups unless it is specifically required as a condition of its Federal grant or contract that such groups be allowed to attend such meetings. Executive Order No. 11671 superseded by the Federal Advisory Committee Act of 1972 (Public Law 92-463) was not applicable to agencies constituted like NAC. Neither is the Freedom of Information Act (Public Law 90-23), which requires Federal agencies to make certain information available to the public, applicable in this situation.

Such a requirement could be imposed by the Federal grantor agency as a condition of the grant. However, this has not been the practice of SRS. The project officer for the NAC grant informed us that SRS would not impose such a requirement on NAC and/or its other grantees.

In addition, the principal investigator for an OE-funded study of the use of accreditation as a condition for Federal support said policies regarding confidentiality of Board meetings and admittance to such meetings of other accrediting organizations were generally quite restrictive. He said that according to his interpretation of the standards promulgated by the Commissioner of Education pursuant to 38 U.S.C. 1775, which authorizes the Commissioner to determine reliable accrediting agencies, NAC would be considered a model agency in the representation it gives to the public. The standards emphasize obtaining members of the general public to serve on the boards of directors of recognized accrediting organizations. He said the members should have the necessary broad-based expertise.

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CHAPTER 5

EVALUATIONS OF NAC PERFORMANCE

Two studies have involved NAC to varying degrees. OE contracted with the Brookings Institution to study the use of private accreditation in establishing the eligibility of postsecondary institutions, students, and faculty for Federal funds. The SRS team--designated to review NAC's operation, budget, and administration and to look into several charges against NAC by NFB--made the second study. NFB believes that HEW officials misrepresented to Members of Congress the purpose of the OE-contracted study and the independence of the SRS review team.

In addition, SRS program and budget officials have made several reviews of the continuation of NAC funding.

BROOKINGS INSTITUTION-NATIONAL ACADEMY OF PUBLIC ADMINISTRATION FOUNDATION STUDY

A preliminary report on this study was sent to interested parties for comment in February 1974. The main purpose of this study was to assess the extent to which making accreditation a requirement for receiving Federal funds serves the public interest and, if and where it does not, what changes might be warranted in the Federal Government's eligibility practices. The principal investigator for this study transferred from the Brookings Institution to the National Academy of Public Administration Foundation and the contract became a joint undertaking.

A letter from the Administrator, SRS, to a Senator concerning NFB charges against NAC said that:

> "Under a current contract the Commissioner of Education has authorized Brookings Institution to evaluate the 45 accrediting groups used by OE. NAC, of course, is included in this study."

According to the study's principal investigator, the study does not concern evaluating the accrediting agencies but rather the use of accreditation by OE and other agencies as a condition of eligibility for Federal programs. The

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investigator advised us that NAC was only 1 of about 50 recognized accrediting organizations which were included in the study and that it did not warrant special attention.

SRS REVIEW OF NAC

In correspondence to a Member of Congress in July 1973, in response to charges made by NFB against NAC, the Administrator, SRS, said SRS had selected a team of experts from outside SRS (including NFB representatives) to study NAC. In September 1973 the Administrator advised Members of Congress that all members of the team except the project officer were from outside SRS.

On October 31, 1972, the Assistant Administrator, Research and Demonstrations, and the Commissioner, Rehabilitation Services Administration, recommended to the Administrator, SRS, that five individuals review materials, participate in a site visit to NAC, and look into NFB's objections to NAC as expressed in NFB's special issue of The Braille Monitor, August 1972.

On February 2, 1973, the Administrator, SRS, approved a list of essential issues to be included on the agenda of the SRS review team. This list was not intended to be all inclusive and the team was given a broad mandate. The issues to be considered included:

--Consumer representation on the NAC Board.

--Accessibility of NAC Board meetings to the public and to private interest groups.

--Consumer representation in NAC site visits, hearings, final accreditation decisionmaking, and standard setting.

--Voluntary nature of the accreditation process and the relation between NAC and State agencies.

--Present criteria and standards for accreditation.

--Involvement of HEW in NAC, including financial support and participation on the NAC Board by the Director, Office of the Blind and Visually Handicapped, SRS.

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On March 19 and 20, 1973, a 7-member review team which was designated by the Administrator, SRS, visited NAC headquarters to obtain information on NAC's operation, budget, and administration. The team would consider NFB charges and recommend possible solutions to the Administrator of SRS.

The review team consisted of the Director, Accreditation and Institutional Eligibility staff, OE; the Director, Health and Social Services, Office of Civil Rights, HEW, who was a member of NAC's Board before the site visit and is currently serving on the NAC Board; the Executive Secretary of the Sensory Study Section, SRS, who was a nonvoting member of the team and the project officer for the NAC grant; the Chief, Handicapped Worker Problems Branch, Employment Standards Administration, Department of Labor, who had served on the Committee on Standards for Sheltered Workshops of the Commission on Standards and Accreditation of Services for the Blind; a professor of political science at the University of Colorado and an attorney from the Postal Service, both of whose selection the President of NFB participated in; and the Deputy Assistant Director for the Legislative Reference Division, Office of Management and Budget, who chaired the review team.

One of the SRS site team members provided us with recorded tapes of discussions held during the SRS review. According to NAC officials, discussions were taped without the approval of NAC by one of the site team members whom the President of NFB helped to select. During the taped discussion, the other team member whom the NFB President helped select informed those present that he believed an objective finding regarding the NFB charges was not possible without hearing from NFB representatives. He was overruled by other team members who believed that the review team should not make recommendations on the merits or demerits of the NFB charges and that it should confine itself to making recommendations for NAC to review its procedures for public participation.

On July 31, 1973, the review team reported to the SRS Administrator. Among the recommendations in the report were:

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--There is a demonstrated need for strengthening services to the blind. To accomplish this, accreditation must be strengthened, procedures must be modified and updated, and the total process must undergo constant evaluation.

--NAC should continue as the accrediting body, but steps must be taken to make NAC self-supporting, if possible.

--Membership on NAC's Board, commissions, and committees must be periodically reviewed and evaluated.

--Representation on NAC must include the consumer agencies, the individual consumer, and individuals with expertise in areas of concern.

--Selection procedures must be further formalized with recommendations solicited from various sources. Lists of nominees should be published with the actual final selection remaining the Board's responsibility.

--The meetings should be made more accessible by opening meetings and permitting limited public participation to the extent consistent with the need for confidentiality in some areas. The Board should publicly disclose its decisions. However, the accreditation review should continue as an "executive session" activity of the Board.

--Formal action should be taken in establishing a functional Consumer Council. Two types of consumers must be included in this Council: (1) consumer agencies that use the accreditation services and (2) individual consumers who receive the agencies' services. Participation by these individuals must be substantial and meaningful.

--A blind advisor committee to the Commission on Standards should be established.

--Procedures must be formalized with maximum public participation provided for in appropriate procedural steps. Information on procedures should be disseminated periodically.

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--Present standards should be evaluated, reviewed, and modified as needed. Board participation from individual and agency consumers, as well as experts in professional areas of concern, is essential.

The review team did not contact any organizations for the blind--accredited or nonaccredited--during the review but confined the review to a 2-day meeting at NAC headquarters.

PERIODIC SRS REVIEWS

The original 5-year grant to NAC was awarded on January 1, 1967. The approval process for the original grant included a fiscal and financial review by the Division of Project Grants Administration, SRS.

The Sensory Study Section, SRS, made a review to determine the project's technical merits. The Sensory Study Section was a committee composed of three visually handicapped individuals, three individuals with hearing impediments, three with speech impediments and three generalists. The only Rehabilitation Services Administration employee on the Sensory Study Section was the Executive Secretary, however, he did not get involved in decisionmaking. The Executive Secretary is the current project officer for the NAC grant and was the project officer for the SRS team.

Also, SRS in-house staff reviewed the grant proposal and included input from (1) the Office of the Blind and Visually Handicapped, Rehabilitation Services Administration, (2) the cognizant HEW regional office staff, and (3) the New York State vocational rehabilitation office staff.

As was required under the HEW regulations for implementing the Vocational Rehabilitation Act, as amended (29 U.S.C. 31) this proposal was also reviewed by the National Advisory Council on Vocational Rehabilitation (NACVR). NACVR was an advisory group of 12 persons (at least 6 professionals from the field of vocational rehabilitation, 3 disabled individuals, and 3 generalists) outside HEW, appointed by the Secretary, HEW.

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Although the project was approved for 5 years, SRS program and budget staff, the Sensory Study Section, and NACVR reviewed it annually. These reviews indicated general approval of the methods and achievements of NAC, but budget amounts and the ability of NAC to achieve self-sufficiency were questioned.

In December 1973 the NAC grant project officer and the Director, Office of the Blind and Visually Handicapped, indicated in their reviews of NAC that the project was moving along on schedule, that project goals were being met, and that private funding was increasing while Federal funding remained about the same.

The Rehabilitation Act of 1973 did not provide for the continuation of NACVR. Further, the Sensory Study Section was dissolved on May 3, 1973. According to HEW officials, other HEW advisory committees were also dissolved during this time. Therefore, during our fieldwork, there was no formal outside peer-group review process for vocational rehabilitation project proposals. After NACVR and the Sensory Study Section dissolved, only SRS program and budget officials reviewed NAC requests for funding.

On December 13, 1973, the Grants Management Specialist, Division of Project Grants Administration, SRS, assigned to review the renewal application of NAC recommended that the project be terminated because after 7 years only about 12 percent of the approximately 400 organizations serving the blind and visually handicapped had been accredited. He estimated that the total project cost would be about $5 million. His report said he believed that the NAC objectives would never be accomplished under the present ground rules. The NAC grant project officer advised us that the Grants Management Specialist's review failed to consider several factors, including

--the value of and need for accreditation in this field;

--the history of other similar accrediting agencies that experienced slow starts; and

--peer group pressure to seek accreditation, once a base number of agencies have been accredited.

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The Commissioner, Rehabilitation Services Administration, approved a continuation grant of $90,000 for 1974 and recommended to the Associate Administrator for Planning and Research, SRS, that NAC receive $45,000 in 1975 after which the grant would be discontinued.

The Director, Division of Project Grants Administration, SRS, told us that the NAC grant was recommended for phaseout in 1975 by the Division of Project Grants Administration because of:

--NAC's poor performance record.

--Low acceptance of NAC accreditation by blind agencies.

--A low cost-benefit ratio.

PROJECTIONS FOR
FUTURE NAC ACCREDITATIONS

The May 9, 1972, NAC-proposed long-range plan for 1973-77 indicated that NAC expected to accredit an average of 25 agencies and schools a year for the next 5 years to reach a "critical mass" of 100 by mid-1974 and a minimum of 165 in 1976 and to reaccredit agencies as needed.

NAC's long-range plan for 1975-79 dated May 6, 1974, states that during the 5-year period NAC estimates that 90 site reviews, 350 annual progress reports, and 50 reaccreditation assessments will be made. The plan also states that NAC estimates that by the end of 1979, the cumulative total of accredited organizations will be 118.

On April 5, 1974, the NAC Associate Director informed us that NAC anticipates 13 site visits in connection with original applications for accreditation in fiscal year 1975, and 17 site visits in connection with reaccreditation by June 30, 1975.

During the SRS team visit in March 1973, NAC told the team its fiscal year 1978 projected budget was $379,000 and an estimated total of 200 or about 50 percent of the approximately 400 organizations serving the blind and visually handicapped would by then be accredited. At the time

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of the SRS site visit--March 19 and 20, 1973--there were 48 accredited organizations.

The following table shows the actual progress NAC made in accrediting organizations.

Status	6-30-71	7-31-72	6-30-74
Accredited	33	44	[a]56
Application rejected	-	2	[b]1
Accreditation denied	1	1	1
Accreditation deferred	1	3	7
Self-study completed	2	6	-
Self-study in process	33	51	74
Total	70	107	139

[a]NAC said it understands that one agency will not seek reaccreditation, in which case this total will be reduced to 55. However, as of June 30, 1974, the agency was still an accredited agency.

[b]This total dropped to one because of a new accounting method used by NAC.

On the basis of NAC's May 9, 1972, long-range plan, the actual number of agencies accredited by June 30, 1974, was about 56 percent of the total projected for that time. The May 6, 1974, long-range plan estimate of 118 NAC-accredited members by the end of 1979 is 47 agencies short of the minimum number of accredited agencies projected for 1976 in the May 9, 1972, long-range plan. In his April 5, 1974, letter to us, the Associate Director said the plan is a rolling forecast that is updated annually.

The Director, Office of the Blind and Visually Handicapped, Rehabilitation Services Administration, believes a more realistic estimate of the number of agencies which might seek NAC accreditation is 200, because many agencies are too small and could not realize the full benefits of NAC accreditation. He pointed out that, if the 200 figure were used, NAC's success rate in accrediting agencies would double.

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CHAPTER 6

THE ROLE OF ACCREDITATION

The Chairman asked that we review several issues regarding accreditation, including the benefits of accreditation, whether accreditation is a requirement for eligibility of organizations to receive certain types of Federal funding, and the extent that organizations support NAC.

To review these issues we talked to officials of accredited organizations, HEW, National Industries for the Blind, the Presidents Committee for the Purchase of Products and Services of the Blind and Other Severely Handicapped, representatives of the national organizations of the blind, and United Way of America. We also made a telephone survey of nonaccredited organizations for the blind to determine their views regarding NAC accreditation.

ACCREDITATION BENEFITS

Most of the officials of the accredited organizations we visited said the real value of accreditation lies in the self-study process, which, if done conscientiously, would provide an excellent measure of how the organization compared with others and a good critical analysis of the organization for clarifying goals and deficiencies. Other benefits mentioned were the upgrading of services to the blind and the degree of assurance given to the general public that the organization had met certain minimum standards.

The Director, Accreditation and Institutional Eligibility Staff, OE, said two potential benefits would accrue to students of a NAC-accredited elementary or secondary school:

--Schools which have been accredited by a nationally recognized accrediting body would meet Veterans Administration standards; and veterans enrolled in these schools would have a preferred position regarding the receipt of veterans benefits.

--Graduates of accredited schools usually find it easier to get into postsecondary schools of their choice.

The SRS team listed these accreditation benefits:

--Favorable measurement of the quality of service.

--Assurance to referral agencies, the community, and the client that quality services are being provided.

--Assurance to executive and legislative officers that organization budgets show efficient planning, quality services, and fully accountable administration.

SURVEY OF NONACCREDITED ORGANIZATIONS

By phone we surveyed 35 nonaccredited organizations chosen from a directory of organizations serving the blind. A list of these agencies is included as appendix V. We asked the organizations:

Are you aware of NAC?
Are you aware of its purpose?
Are you planning on seeking accreditation within the next 2 years?
If not, why not?

Of the 35 organizations, 34 were aware of NAC and its purpose.

Of the 34 organizations:

--12 will seek accreditation within the next 2 years.

--2 are considering accreditation but not within the next 2 years.

--8 are uncertain about seeking accreditation.

--12 indicated that they will not seek accreditation.

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Among the reasons given by those organizations which planned to seek NAC accreditation were:

--Enables organization to measure itself against uniform standards and the organization's peers.

--Outlines areas of organization's programs that need improvement.

--Aids the organization's professional staff recruiting program.

--Organization's policy is to meet standards if they exist.

--Measures achievement toward goals.

--Was recommended by National Industries for the Blind.

--Upgrades services and raises prestige of the organization.

The reasons given by the organizations that were uncertain or were not seeking accreditation were:

--Costs of the self-study and visit are prohibitive.

--NAC Board does not include enough consumer/client representation.

--Agency is undergoing an organizational change.

--Too time consuming.

--State group is doing own self-study.

--Blind agencies will not apply standards conscientiously across the board.

--Being accredited by the Commission on the Accreditation of Rehabilitation Facilities.

--Negligible benefits.

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ELIGIBILITY OF AGENCIES FOR FEDERAL SUPPORT

We asked whether NAC accreditation was a requirement of eligibility to receive Federal support.

Wagner-O'Day program

The Wagner-O'Day Act, as amended by Public Law 92-28, 41 U.S.C. 46-48c (Supp. II, 1972), created employment opportunities for the blind by requiring that Federal agencies satisfy their requirements for certain products by purchasing from nonprofit workshops for the blind. The presidentially appointed Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped is responsible for selecting products purchased from workshops and for determining the fair market prices for the products. Products and services are set aside for purchase from designated workshops for indefinite periods during which other suppliers are not afforded the opportunity to bid on the Government's requirements.

The National Industries for the Blind (NIB) was designated by the President's Committee to allocate, among qualified workshops for the blind, Government purchase orders for approved goods and services. NIB's 1973 annual report noted that in 1973 total workshop sales amounted to $65,275,537 of which $29,865,935 were Government sales. The NIB-affiliated workshops paid total wages of $10,245,745 and provided fringe benefits worth $1,427,000. The average hourly wage paid to blind clients was $1.83, and workshops affiliated with NIB placed 467 of the 4,760 blind clients in outside competitive employment in 1973.

Over the past 35 years Federal agencies have been the source of about one-half of the total sales from NIB-affiliated workshops which represent 95 percent of the productive capacity of all U.S. workshops for the blind.

Regarding a charge that Wagner-O'Day contracts through NIB are contingent upon NAC accreditation, we noted that NIB entered into a "Statement of Understanding" with NAC and the General Council of Workshops for the Blind which states that by June 30, 1970, all NIB-affiliated shops shall have either

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--applied for NAC accreditation and submitted a completed self-study report, or

--applied to the General Council of Workshops for the Blind for an NIB Certification of Affiliation and submitted a completed self-study report.

For those shops which apply for accreditation, under this agreement, NAC will conduct site surveys within 3 months of the receipt of the completed self-study report, and shops subsequently accredited by NAC will enjoy a reciprocal NIB certification of affiliation.

The President of NAC said the agreement was an expression of desire by the workshops to improve their administration and services and that workshops that did not qualify or apply for accreditation by the set date did not lose Federal Government contracts.

NIB Certificates of Affiliation entitle shops to membership in the General Council and to access through NIB to

--NIB-allocated Government business,

--NIB-allocated commercial business,

--NIB consulting services, and

--any and all other NIB benefits.

The Vice President-General Manager, NIB, was quoted in the October 1971 issue of Rehabilitation Literature as saying that:

" * * * all workshops would be well advised to seek accreditation through the procedures of NAC. We are confident that accreditation will have more value to the agency than any other procedure. The experience of the review will serve the long-range interests of blind clients, board and staff in a more meaningful way."

The article continued by saying that:

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"We further understand that National Industries for the Blind will require application for either accreditation or certification by the end of 1971."

The 1973 annual report of NIB indicated that of the 83 NIB-affiliated sheltered workshops:

--28 are NAC-accredited

--15 are working toward NAC accreditation

--10 are certified by the General Council of Workshops for the Blind

--30 are working toward certification by the General Council of Workshops for the Blind

On November 8, 1973, NAC's Executive Director wrote to a member of the President's Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped and suggested that the President's Committee consider the desirability of having workshops make annual public reports, including financial reports prepared in accordance with the Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations.

The Executive Director of the President's Committee questioned whether a requirement to make such annual reports to the public could be imposed on workshops; therefore, he requested advice from the Committee's legal counsel. The Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations were made part of the original Commission on Standards and Accreditation of Services for the Blind standards for public accountability and disclosure.

Because NIB is the central nonprofit agency (CNA) for allocating contracts among workshops for the blind and because NAC's Executive Director raised the issue of having workshops make annual reports to the public, the Executive Director of the President's Committee redirected the question toward the legality of making accreditation a condition for participation in the Wagner-O'Day program.

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On December 11, 1973, the counsel for the President's Committee responded that:

> "Can the National Industries for the Blind require workshop accreditation in accordance with standards approved by the National Industries for the Blind for workshops to participate in the Wagner-O'Day program?
>
> "The National Industries for the Blind can not require blind workshops to receive accreditation from the National Accreditation Council or any other organization in order to participate in the Wagner-O'Day program.
>
> "Under Public Law 92-28 only three requirements are stated for qualified non-profit agencies * * * : (1) non-profit status of agency; (2) compliance with applicable occupational health and safety standards prescribed by the Secretary of Labor; (3) direct labor ratio of 75% severely handicapped or blind workers."
>
> * * * * *
>
> "Neither Public Law 92-28 nor the Committee's rules and regulations require any accreditation of a workshop of the type being proposed by the National Industries for the Blind. Such accreditation might in fact hamper the purpose and intent of Public 92-28.[sic] If the Committee were to require the accreditation, this added burden on those workshops wishing to participate could impede, if not frustrate, such participation.
>
> "The ability of a workshop to produce a commodity or provide a service is not dependent on their accreditation but on the certification by their central non-profit agency of the workshop's capability to produce the commodity or provide the service.
>
> "While the National Industries for the Blind has every right to require workshops to be accredited in order to become or remain affiliates of the

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National Industries for the Blind, NIB may not refuse its CNA related services to any workshop, accredited or non-accredited.

"Participation in the Wagner-O'Day program is determined by Public Law 92-28 and the Committee's rules and regulations. There is no authorization for the National Industries for the Blind to regulate participation and/or restrict participation of any blind workshop because of lack of accreditation. Insistence by the National Industries for the Blind on a course of action in conflict with the purposes and procedures established under the Wagner-O'Day Act would necessitate a review by the Committee of the National Industries for the Blind's continued participation as the sole representative of blind workshops."

The Executive Director of the President's Committee, in response to the above legal opinion, advised us that both the Committee and NIB have inherent authority to invoke reasonable regulations and to set reasonable standards for efficient and effective program administration. He advised us that, if accreditation were to meet those criteria, it is conceivable that the Committee could amend its regulations to show this situation, however, under current regulations accreditation is not a requirement.

The Vice President-General Manager, NIB, said that, if interpreted wrong, the Statement of Understanding could be construed as contradicting the December 11, 1973, General Counsel opinion. However, he indicated that it had not been NIB's intention to require NAC accreditation, but rather to urge workshops to ascribe to some kind of standards. NIB believes that the workshops can strengthen their services by meeting certain standards. He also said NIB would have to abide by the legal counsel's opinion that NIB could not require accreditation as a condition of participation in the Wagner-O'Day program.

By letter dated February 12, 1974, the Chairman, Legislative Committee, National Federation of the Blind of North Carolina, advised the General Services Administration (GSA) that it had been called to his attention

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that NIB had informed a workshop in North Carolina that NIB would award no Federal contracts to any nonaccredited workshop after July 1, 1976. The NFB representative wanted to know if GSA would award Federal contracts to other than NAC accredited sheltered workshops; specifically, he asked:

> "Is the accreditation requirement imposed by NIB also the policy of GSA or is this requirement imposed only by NIB on its own authority?"

On March 1, 1974, GSA's Assistant Administrator responded to the Chairman of the Legislative Committee that the matter of accreditation of sheltered workshops under NIB auspices is not within GSA jurisdiction; therefore, his letter was forwarded to the President's Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped.

On March 8, 1974, the Executive Director of the President's Committee responded to the Chairman of the Legislative Committee, National Federation of the Blind of North Carolina, after consulting with NIB, that:

> "National Industries for the Blind (NIB) does not require accreditation by the National Accreditation Council (NAC) or any other like agency to be awarded federal contracts. Workshops associated with NIB that meet the requirements of the regulations as published under Title 41 - Public Contracts and Property Management, Chapter 51 - Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped, is the only requirement for being awarded federal contracts. Public Law 92-28 (Wagner O'Day Act) nor the Committee regulations require accreditation by NAC or any other like organization. NIB has not informed their associated workshops that they must be accredited by NAC by July 1, 1976 to be awarded federal contracts.
>
> "The above statement reflects the policy of the Committee and additional actions taken by General Services Administration and state rehabilitation service agencies are not considered requirements for participation in the program under Public Law 92-28."

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OTHER POSITIONS REGARDING ACCREDITATION REQUIREMENTS

We asked other organizations whether they have any requirements that organizations which they support be accredited, and if not, whether they believed that accreditation is needed.

SRS position

On July 2, 1971, the Assistant Administrator for Research and Demonstration, SRS, advised the Executive Secretary of the Sensory Study Section that in regard to the NAC grant:

> "To date this has been a very successful project. However, need exists to extend the evaluation and accreditation process to more agencies. NAC cannot do this by themselves--RSA must let the field know this is not only expected but "business" will not be given to agencies which do not have or are [sic] in tne process of getting accreditation in 3-5 years."

We asked the Assistant Administrator for Research and Demonstration if SRS had taken any formal action to implement such a policy. He indicated that this message was conveyed to those working to provide vocational rehabilitation services to the blind, however, neither SRS nor the Rehabilitation Services Administration had issued regulations making NAC accreditation a requirement and condition for receiving Federal funding.

The NAC grant project officer advised us that based on NAC's experience, he believed that, to provide the necessary impetus for agencies providing services to the blind to apply for accreditation, the Federal Government would probably have to make accreditation a condition for agencies seeking Federal support.

Council of State Administrators of Vocational Rehabilitation position

On September 26, 1972, the Council adopted a resolution calling for all rehabilitation facilities providing

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services to clients of State vocational rehabilitation agencies to have, by June 30, 1974,

--applied for accreditation to either NAC or the Commission on Accreditation of Rehabilitation Facilities;

--received a visit from one of these organizations; or

--outlined plans to meet accreditation no later than June 30, 1976.

For those rehabilitation facilities established after July 1, 1973, the Council recommended that they apply for accreditation and receive a visit from one of the two accrediting organizations within 3 years from the date of the admission of the first client and that they be accredited by the end of the fourth year following their establishment date.

The Chairman, Rehabilitation Facilities Committee, Council of State Administrators of Vocational Rehabilitation, advised us that, because the Council is an advice-giving confederation, it has no official jurisdiction over the independent State vocational rehabilitation agencies. However, he said the Council members are the administrators of their respective State agencies, and can enforce the resolution within their agencies.

He estimated that between 50 and 60 percent of the State administrators are enforcing the resolution in their States. In these States, he said, if an agency does not comply with the resolution calling for accreditation, the State vocational rehabilitation agency can boycott services from the noncomplying agency.

United Way of America position

United Way of America is a national association of autonomous local organizations which raise and allocate funds among various organizations, such as the American National Red Cross and the Boy Scouts of America, and plans and coordinates health and welfare programs.

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Among the United Way objectives are:

--offering to local organizations modern techniques in data handling and management information systems;

--offering national communications and education programs;

--improving of planning and direct service delivery systems in local communities; and

--recruiting and training young people and minority groups for leadership roles in the United Way movement.

A Senior Consultant of the United Way said NAC accreditation is not required nationally. He indicated, however, that there were over 2,000 autonomous United Way agencies nationwide and that some of these agencies might require NAC accreditation before allotting funds to an organization. The consultant indicated that he was aware that some local chapters of United Way have asked if agencies were NAC accredited but that he was not aware of any chapters which required NAC accreditation as a condition of receiving United Way funds.

We surveyed six geographically dispersed local United Way agencies to determine their policy regarding NAC accreditation. The responses we received were:

--If there is a recognized accrediting body in the applicant's field then it must meet the standards.

--To obtain maximum funding under their rating system, an applicant agency must meet the standards in its field.

--If there is an accrediting body, accreditation is required.

--If an agency is accredited, it is considered a plus. If it is not, and there is an accrediting agency in its field, some question would be raised as to why it has not sought accreditation.

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--Accreditation is not required.

--Applicant agencies are urged to become accredited. Pressure is applied.

ACCEPTANCE OF NAC STANDARDS

Of the three national organizations of the blind in this country, two--The American Council of the Blind and the Blinded Veterans Association--generally support NAC, and the Council is an official sponsor. These organizations were discussed on pages 2 and 3.

NAC defines "sponsors" as organizations which are not subject to accreditation, support the concept of improving services for blind people through national standards administered within a system of voluntary accreditation, and wish to be publicly identified as NAC supporters. Sponsors are invited to send nonvoting representatives to NAC's annual meetings.

The Association for Education of the Visually Handicapped is an organization made up primarily of educators in the field and has 2,500 members. It officially sponsors and supports NAC. The American Association of Workers for the Blind also is an official sponsor of NAC. This professional organization is open to persons or agencies interested in the welfare of blind persons or the prevention of blindness. It has 3,500 members.

In addition, NAC is officially sponsored by national research, information, and consultative organizations in the field: The American Foundation for the Blind, the National Society for the Prevention of Blindness, the American Foundation for the Overseas Blind, the American Library Association, the National Braille Association, Inc., NIB, and the National Council of State Agencies for the Blind. NIB was further discussed on pages 62 to 67.

The Council of State Administrators of Vocational Rehabilitation has a resolution calling on rehabilitation agencies for the blind that receive State funds to qualify for NAC accreditation by 1976. The Council was discussed on pages 68 and 69. The National Rehabilitation Association

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has supported the move by agencies serving the blind to seek NAC accreditation.

Choice Magazine Listening--a foundation-supported service which selects and makes available to the blind fiction, poetry, and articles from magazines--is also a NAC sponsor.

Other agencies which NAC lists as official sponsors include the Arkansas Chapter of the American Association of Workers for the Blind and the New York State Federation of Workers for the Blind, another State chapter of the American Association of Workers for the Blind.

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CHAPTER 7

AGENCY COMMENTS

NAC

The President of NAC advised us by letter dated July 25, 1974, that NAC had welcomed our review of the charges that have been made against NAC. NAC wishes that the report receive wide dissemination, so that all interested persons may have access to an objective review.

NAC expected that the review would find that NAC was doing a job that is widely recognized by the field as making an important contribution to improving services to blind and visually handicapped people. NAC was confident that no gross errors or deficiencies existed, and no unsubstantiated charges would be sustained. According to NAC, the report bears out this expectation.

Other NAC observations have been included in this report where appropriate.

HEW

On July 24, 1974, OE and SRS officials discussed our findings and said this report represented a thorough and objective review of the issues in question. They believed that the report presents NAC as a respectable and legitimate organization that was fulfilling its objectives with a few minor areas of concern.

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CHAPTER 8

SCOPE OF REVIEW

We reviewed only the specific issues the Chairman requested us to examine and collected and analyzed only background data essential to understand the issues.

Our review was made at the headquarters office of SRS in Washington, D.C., and at NAC headquarters in New York City. We visited four NAC-accredited agencies including privately operated and State affiliated sheltered workshops, and a residential school. We also visited a vocational rehabilitation center accredited by virtue of its being an integral unit of its parent agency, even though the center never had a site visit, because it began operations after the NAC site visit to the parent agency.

We also interviewed officials of NFB, the Blinded Veterans Association, the American Council of the Blind, OE, Labor, and the President's Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped.

In addition, we interviewed officials of several agencies not accredited by NAC to obtain their views on NAC accreditation and their plans for seeking accreditation.

Included among the many interviews were discussions with workshop employees, students, blind organization representatives from several States, and officials who have provided services to the blind and visually handicapped.

A list of principal HEW officials responsible for administering activities discussed in this report is included as appendix VI.

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APPENDIX I

MEMBERS OF THE BOARD OF DIRECTORS
OF THE NATIONAL ACCREDITATION COUNCIL
FOR AGENCIES SERVING THE BLIND AND VISUALLY HANDICAPPED
AS OF JULY 1, 1974

President

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Peat, Marwick, Mitchell & Co.
New York, New York

Vice President

Huntington Harris, Director
Quadri-Science
Leesburg, Virginia

Vice President

McAllister Upshaw, Executive Director
Greater Detroit Society for the Blind
Detroit, Michigan

Vice President

Howard H. Hanson, Assistant Program Administrator,
South Dakota Office of Service to the Visually Impaired
President, National Council of State Agencies
Serving the Blind
Pierre, South Dakota

Dr. Jack W. Birch, Professor
University of Pittsburgh School of Education
Pittsburgh, Pennsylvania

W. Harold Bleakley, President
Center for the Blind
Philadelphia, Pennsylvania

Arthur L. Brandon
Educational and Management Consultant
Formerly Vice President
New York University
Lewisburg, Pennsylvania

APPENDIX I

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Engineering and Legal Consultant
New York, New York

Mrs. Joseph Clifford, Civic Leader
President, Foundation for Blind Children
Scottsdale, Arizona

William T. Coppage, Director
Virginia Commission for the Visually Handicapped
Richmond, Virginia

J. Kenneth Cozier, Industrialist
Past President, Cleveland Society for the Blind
Cleveland, Ohio

Dr. John M. Crandell, Jr.
Associate Professor of Educational Psychology
Brigham Young University
Provo, Utah

John W. Ferree, M.D., Consultant
Formerly Executive Director
National Society for the Prevention of Blindness
Pleasantville, New York.

George W. Henderson, Jr., Vice President
Burlington Industries-Galey & Lord
Formerly Chairman, Community Services for the Blind
Atlanta, Georgia

Joseph Jaworski, Attorney
Houston, Texas

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Norman V. Lourie, Executive Deputy Secretary for
Federal Policies and Programs
Pennsylvania Department of Public Welfare
Past President, American Orthopsychiatric Association
Harrisburg, Pennsylvania

John P. McWilliams, Jr., Assistant Treasurer
Morgan Guaranty Trust Company
New York, New York

Julius D. Morris, Attorney
Member, Connecticut State Legislature
Past President, Blinded Veterans Association
New Britain, Connecticut

Morton Pepper, Attorney
Past President, Jewish Guild for the Blind
New York, New York

C. Owen Pollard, Director
State Bureau of Rehabilitation
Augusta, Maine

Honorable Robert Riley, Lieutenant Governor
State of Arkansas
Little Rock, Arkansas

Louis H. Rives, Jr., Former Director
Operations Division, Office for Civil Rights
Department of Health, Education, and Welfare
Formerly President, American Association of Workers
for the Blind
Research Director, Arkansas Enterprises for the Blind
Little Rock, Arkansas

Honorable Reese Robrahn, Attorney
Past President, American Council of the Blind
Washington, D.C.

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MEMBERS OF THE BOARD OF DIRECTORS
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Dr. Peter J. Salmon, Administrative Vice President
Industrial Home for the Blind, Brooklyn, New York
Director, National Center for Deaf-Blind Youth and Adults
Brooklyn, New York

Dr. Geraldine T. Scholl, Professor of Special Education
University of Michigan, Ann Arbor
Ann Arbor, Michigan

Austin G. Scott
Dallas County Association for the Blind
Dallas, Texas

Henry A. Talbert, Director
Western Regional Office, Los Angeles, National Urban League
Los Angeles, California

Warren Thompson, Assistant Regional Director
Department of Health, Education, and Welfare, Denver
Past President, National Rehabilitation Association
Denver, Colorado

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APPENDIX II

MEMBERS OF THE COMMISSION ON ACCREDITATION
OF THE NATIONAL ACCREDITATION COUNCIL
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AS OF JULY 1, 1974

Chairman

Dr. Jack W. Birch, Professor
University of Pittsburgh, School of Education
Pittsburgh, Pennsylvania

Vice Chairman

Frederick A. Silver, Administrator
St. Paul's Rehabilitation Center
Newton, Massachusetts

Natalie Barraga, Professor
Department of Special Education
The University of Texas at Austin
Austin, Texas

Howard H. Hanson, Assistant Program Administrator
South Dakota Office of Service to the
Visually Impaired
Pierre, South Dakota

Milton A. Jahoda, Executive Director
Cincinnati Association for the Blind
Cincinnati, Ohio

Ruth Kaarlela
Western Michigan University
Kalamazoo, Michigan

Elizabeth M. Maloney
Industrial Home for the Blind
Brooklyn, New York

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APPENDIX II

MEMBERS OF THE COMMISSION ON ACCREDITATION OF THE NATIONAL ACCREDITATION COUNCIL FOR AGENCIES SERVING THE BLIND AND VISUALLY HANDICAPPED AS OF JULY 1, 1974

Louis H. Rives, Jr., Research Director
Arkansas Enterprises for the Blind
Little Rock, Arkansas

Austin G. Scott
Dallas County Association for the Blind
Dallas, Texas

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MEMBERS OF THE COMMISSION ON STANDARDS
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AS OF JULY 1, 1974

Chairman

Dr. Geraldine T. Scholl
Professor of Special Education
The University of Michigan, Ann Arbor
Ann Arbor, Michigan

Vice-Chairman

William T. Coppage, Director
Virginia Commission for the
Visually Handicapped
Richmond, Virginia

Dr. John M. Crandell, Jr., Associate Professor
Department of Educational Psychology
Brigham Young University
Provo, Utah

Cleo B. Dolan, Executive Director
The Cleveland Society for the Blind
Cleveland, Ohio

J. Arthur Johnson
Columbia Lighthouse for the Blind
Washington, D.C.

Durward K. McDaniel, National Representative
American Council of the Blind
Washington, D.C.

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APPENDIX III

MEMBERS OF THE COMMISSION ON STANDARDS
OF THE NATIONAL ACCREDITATION COUNCIL
FOR AGENCIES SERVING THE BLIND AND VISUALLY HANDICAPPED
AS OF JULY 1, 1974

Robert Morris, D.S.W.
Brandeis University
Waltham, Massachusetts

Mrs. Helen W. Worden, Executive Director
Rhode Island Association for the Blind
Providence, Rhode Island

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APPENDIX IV

NAC-ACCREDITED AGENCIES VISITED

Blind Industries and Services of Maryland
(formerly Maryland Workshop for the Blind)
Baltimore, Maryland

Maryland School for the Blind
Baltimore, Maryland

Columbia Lighthouse for the Blind
Washington, D.C.

Virginia Commission for the Visually Handicapped
Richmond, Virginia

Virginia Industries for the Blind
Richmond, Virginia[1]

Virginia Rehabilitation Center for the Blind
Richmond, Virginia[1]

[1]Part of the Virginia Commission for the Visually Handicapped
We spoke with officials and/or clients of all three agencies;
however, our review centered on the workshop facility--
Virginia Industries for the Blind.

APPENDIX V

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NONACCREDITED AGENCIES SURVEYED

Department of Adult Blind and Deaf of the
Alabama Institute for the Deaf and Blind
Talladega, Alabama

Rehabilitation Services for the Blind
State Department of Education
Little Rock, Arkansas

Department of Rehabilitation
Sacramento, California

Services for the Blind, Inc.
Santa Ana, California

Connecticut Insitute for the Blind
Oak Hill School
Hartford, Connecticut

Bureau of Blind Services
Division of Vocational Rehabilitation
Department of Health and Rehabilitation Services
Tallahassee, Florida

Georgia Factory for the Blind
Department of Family and Children Services
Bainbridge, Georgia

Illinois Braille and Sight Saving School
Department of Children and Family Services
Jacksonville, Illinois

Indiana Agency for the Blind
State Board of Health
Indianapolis, Indiana

Kentucky School for the Blind
Department of Education
Louisville, Kentucky

Morgan Memorial, Inc.
Boston, Massachusetts

Division of Blind Services
Department of Social Services
Saginaw, Michigan

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NONACCREDITED AGENCIES SURVEYED (Cont.)

Services for the Blind
Department of Public Welfare
St. Paul, Minnesota

Duluth Lighthouse for the Blind
Duluth, Minnesota

Bureau for the Blind
Department of Public Health and Welfare
Jefferson City, Missouri

Lighthouse for the Blind
St. Louis, Missouri

Nebraska School for the Visually Handicapped
Department of Education
Nebraska City, Nebraska

Services for the Visually Impaired
Department of Public Institutions
Lincoln, Nebraska

Commission for the Blind and Visually Impaired
Newark, New Jersey

New Mexico School for the Visually Handicapped
State Department of Education
Alamogordo, New Mexico

New York Institute for the Education of the Blind
New York, New York

Commission for the Blind
Raleigh, North Carolina

School for the Blind
Grand Forks, North Dakota

Rehabilitation Services Commission
Bureau of Services for the Blind
Columbus, Ohio

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NONACCREDITED AGENCIES SURVEYED (Cont.)

Division of Visual Services
Department of Institutions,
Social and Rehabilitative Services
Oklahoma City, Oklahoma

Western Pennsylvania School for Blind Children
Pittsburgh, Pennsylvania

Chester County Association for the Blind, Inc.
Branch of Pennsylvania Association for the Blind
Coatsville, Pennsylvania

Philadelphia Lighthouse of the Blind
Philadelphia, Pennsylvania

Services for the Blind
Department of Public Welfare
Nashville, Tennessee

Travis Association for the Blind
Austin, Texas

South Texas Lighthouse for the Blind
Corpus Christi, Texas

Virginia School at Hampton
Hampton, Virginia

Services for the Blind
State Department of Social and Health Services
Seattle, Washington

Bureau for the Blind
Division of Vocational Rehabilitation
Department of Health and Social Services
Milwaukee, Wisconsin

Services for the Visually Handicapped
State Department of Education
Cheyenne, Wyoming

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APPENDIX VI

PRINCIPAL OFFICIALS OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE RESPONSIBLE FOR ADMINISTERING ACTIVITIES DISCUSSED IN THIS REPORT

	Tenure of office	
	From	To
SECRETARY OF HEALTH, EDUCATION, AND WELFARE		
Caspar W. Weinberger	Feb. 1973	Present
Frank C. Carlucci (acting)	Jan. 1973	Feb. 1973
Elliot L. Richardson	June 1970	Jan. 1973
Robert H. Finch	Jan. 1969	June 1970
Wilbur J. Cohen	Mar. 1968	Jan. 1969
John W. Gardner	Aug. 1965	Mar. 1968
ADMINISTRATOR, SOCIAL AND REHABILITATION SERVICE		
James S. Dwight, Jr.	June 1973	Present
Francis D. DeGeorge (acting)	May 1973	June 1973
Philip J. Rutledge (acting)	Feb. 1973	May 1973
John D. Twiname	Mar. 1970	Feb. 1973
Mary E. Switzer	Aug. 1967	Mar. 1970
COMMISSIONER, REHABILITATION SERVICES ADMINISTRATION (note a)		
Andrew S. Adams	Apr. 1974	Present
James R. Burress (acting)	Jan. 1974	Apr. 1974
Corbett Reedy (acting)	Jan. 1973	Jan. 1974
Edward Newman	Oct. 1969	Jan. 1973
Joseph V. Hunt	Apr. 1968	Oct. 1969
Joseph V. Hunt (acting)	Oct. 1967	Apr. 1968
Mary E. Switzer	Dec. 1950	Aug. 1967

[a]In August 1967 the Vocational Rehabilitation Administration became the Rehabilitation Services Administration, SRS.

APPENDIX VI

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COMMISSIONER OF EDUCATION

Terrel H. Bell	June	1974	Present	
John R. Ottina	Sept.	1973	June	1974
John R. Ottina (acting)	Oct.	1972	Sept.	1973
Sidney P. Marland, Jr.	Dec.	1970	Oct.	1972
Terrel H. Bell (acting)	June	1970	Dec.	1970
James E. Allen, Jr.	May	1969	June	1970
Peter P. Muirhead (acting)	Jan.	1969	May	1969
Harold Howe, II	Jan.	1966	Dec.	1968

DIRECTOR, ACCREDITATION AND INSTITUTIONAL ELIGIBILITY STAFF, OFFICE OF EDUCATION

John R. Proffitt	May.	1968	Present	